

VOLVO OCEAN RACE – CARDIFF HOST CITY

Conference: The Vision for the Future of Cardiff Bay

Thursday 31st May 2018

“From Mud-Flats to Thriving Economy: a Property Perspective”

Presentation by

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Chairman, Cooke & Arkwright

I am a property professional who has been working in Cardiff for over 35 years advising on real estate development and asset management. I still advise on property in Cardiff Bay but today most of my time is spent on delivering Plasdŵr, a major 7,000 house urban extension in North West Cardiff. My perspective is very much a property one and this is relevant to Cardiff Bay where property and real estate have been the main agents of change over recent decades.



So with this professional background I am going to speak to you today about the period in the life of south Cardiff when the transformation from the historic global port to the Cardiff Bay that we see today took place.

The period in which that huge change took place is only just over 30 years – a generation – and a remarkably short period for urban change on this scale. The period from the early 1980s to now, revolves around the life of Cardiff Bay Development Corporation between 1987 and 2000, and its establishment of the platform for the radical change that has taken place.



In the early 1980s, what is now thought of as Cardiff Bay - an area running from Penarth Head to Eastmoors - was a very different area. It was dominated by a series of closed or unused docks and wharfs at Penarth, Ely Tidal Harbour, West and East Bute Dock and Roath Basin. The closure and site clearance of the Eastmoors steel works had already taken place in 1978 leaving the only major areas of economic activity as Allied Steel & Wire and the ABP operational docks. The long standing communities around those areas were relatively self-contained and inward looking and the area was one where you generally didn't go unless you had to.



The whole area was a legacy of the dramatic industrial growth of the late 19th and early 20th centuries with very limited modern development. The most notable exception was the Butetown housing area, redeveloped in the 1960s in what was then known as Tiger Bay.



I first visited this area in the early 1980s when I came to work in Cardiff. By that time Eastmoors Steelworks had closed and the whole area was dominated by dereliction and unused land.



Coal exporting needs large areas of land for railways, marshalling yards and coal staites to tip the coal into the ships, but does not leave many buildings behind.



A particular job I was given was to value an old industrial property in the area of the former West Bute Dock. In those days photographs were all on film and the building I was inspecting did not merit many photographs, so I took the opportunity to wander around this area of dereliction and use up the rest of the film.



These are some of the photographs that I took, not knowing at the time that within a few years all this would go. The Norwegian Church however, would be saved and re-located to the land mark position it occupies in the Bay today.



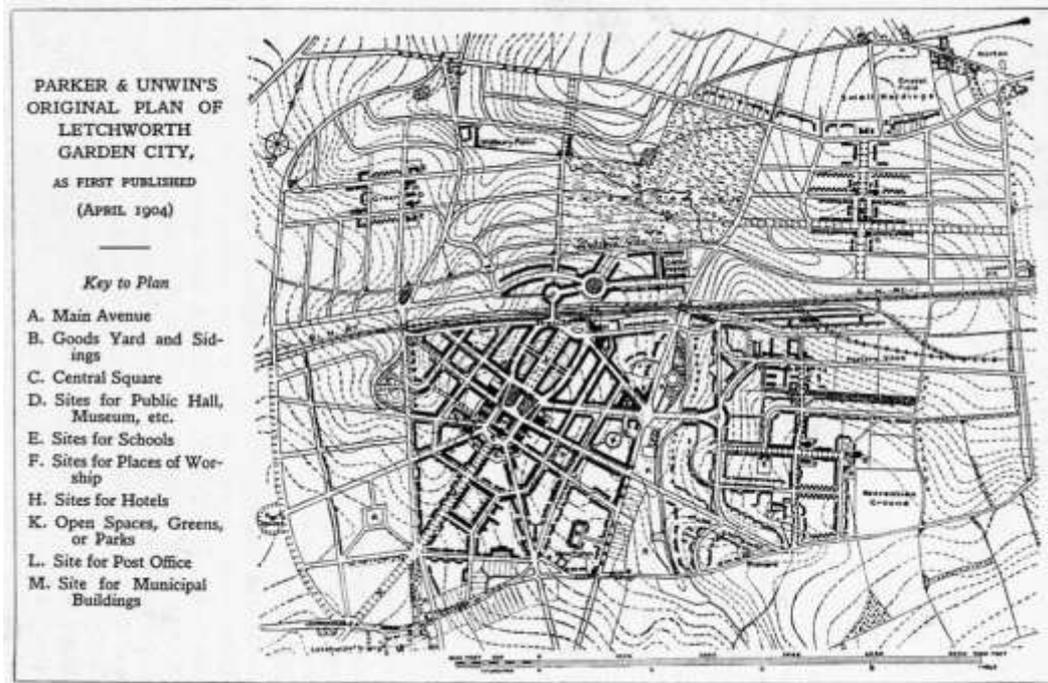
The first area of change in the early to mid-1980s was the East and West Bute Dock area. The West Dock had already been closed and filled in the 1960s. East Bute Dock was still an open water body but not fulfilling any shipping or dock function. The Atlantic Wharf scheme was promoted by South Glamorgan County Council to re-generate these areas in the early to mid 1980s and benefitted from a large urban investment grant from the UK Government.



It needs to be remembered that this was a time of dramatic economic and social change in the UK during the early Thatcher years and a time of inner city unrest. Attention was starting to turn to the plight of the inner cities which over decades had been left behind and largely ignored, with under investment and the consequences of long term economic and social breakdown. Docklands in London was the prime example, but also Manchester, Liverpool, Sheffield and other major cities had to deal with similar issues and problems. As so often was the case, the solution in Cardiff was property led.



Re-generation took away the old dereliction, sorted the land quality out, put in infrastructure and developed the key sites. That in theory would lead to economic and social recovery. Pump priming, or leveraging private money on the back of public investment, was the philosophy used in these urban re-generation projects and was fundamentally the model used in the Cardiff Bay development itself.

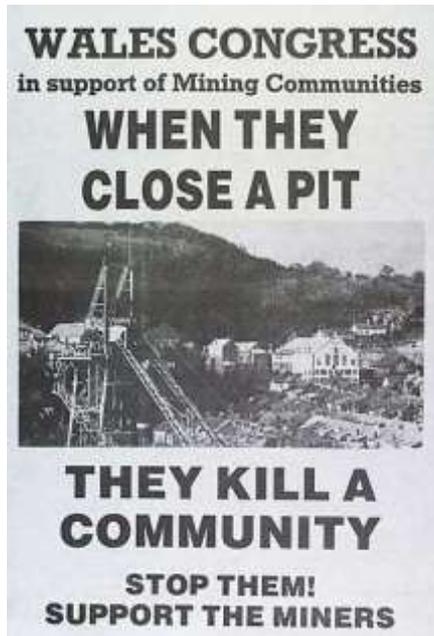


It in turn builds on an approach which under-pinned the new town movement, and before that the Garden City movement, although over time the social and personal aspects of those earlier movements did get rather lost. The focus in these late 20th Century regeneration schemes was the built environment and economic re-generation, and steered away, often deliberately, from overt social re-generation.



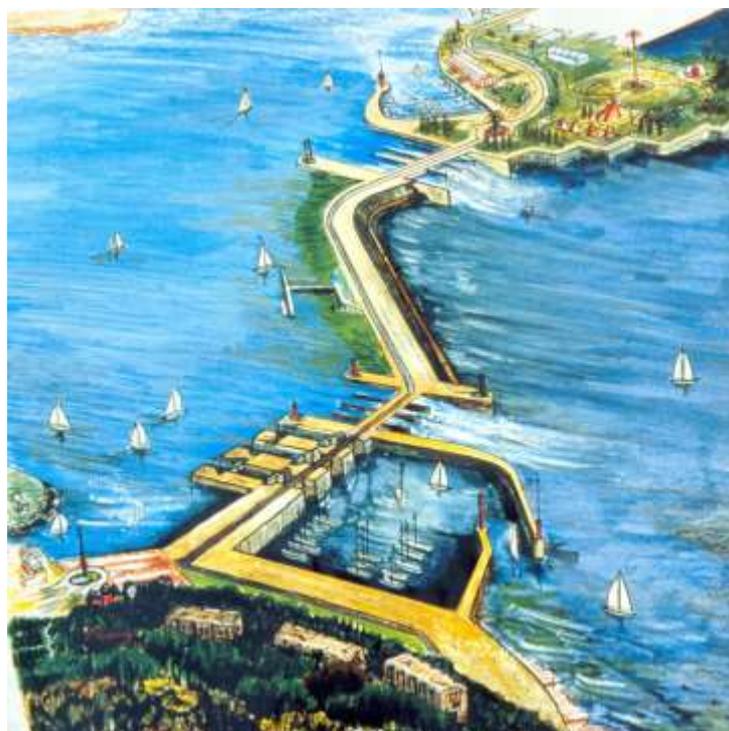
Atlantic Wharf was under construction by the mid 1980s with a new County Hall, the refurbishment of one of the few original Dock buildings - "The Bonded Warehouse", and the development by Tarmac of a range of low rise houses between County Hall and the City Centre. We all thought that this was the real thing, but this was just the start.

As the 1980s rolled on and Atlantic Wharf started to take shape, there was a growing thought that Wales needed to go bigger and do something transformational in Cardiff which would also highlight the changes in Wales that were taking place in the wake of the trauma of the 1984 miners' strike.



This bitter year-long strike was followed by the closure of virtually all of the deep mining industry in South Wales which had been the backbone of the Welsh economy for well over a hundred years. The closure also led to huge economic and social change in the industrialised Valleys of south-east Wales.

Nicholas Edwards, Secretary of State for Wales at that time, assembled a short-life "taskforce" of individuals with experience of urban regeneration to look at and produce a vision for south Cardiff.



The vision they came up with was for the physical transformation of south Cardiff with a key feature being the construction of a dam or barrage to impound the waters of the Rivers Taff and Ely which flowed into what would be Cardiff Bay.



The Severn Estuary has a tidal range in excess of 8 metres and is generally ranked as the second largest tidal range in the world. For most of the day Cardiff Bay other than for the river channels was just mud flats. Other than the Docks nothing really orientated towards this outlook and although some people did find it genuinely attractive, it was not to most people's taste or sense of smell. So the proposal was to impound these waters and create a large water body with a constant level and miles of water frontage around the edge of the Bay and along the rivers, which would be attractive for development and also as an area of public recreation.

The theory was that with all of this you would create enough critical development mass to establish Cardiff Bay as a major and vibrant sub-centre within Cardiff and remove the old prejudices about the area.



The notion was also that by building the barrage and clearing derelict and low grade land, you would create valuable development land and recoup some of the initial expenditure. This radical physical property change would then lead to economic and, in a more subtle way, social change.

In 1987 on the back of that study, Nicholas Edwards set up Cardiff Bay Development Corporation which was to be chaired by Sir Geoffrey Inkin during its life.

This was one of the wave of urban development corporations that were being set up across the UK to address urban decay, change in economic circumstances and the social unrest. It is worth quickly reading out the Mission Statement and main Objectives

Cardiff Bay Development Corporation



Mission Statement

"To put Cardiff on the international map as a superlative maritime city which will stand comparison with any such city in the world, thereby enhancing the image and economic well-being of Cardiff and Wales as a whole"



Main aims and objectives were:

1. *To promote development and provide a superb environment in which people will want to live, work and play.*
2. *To re-unite the City of Cardiff with its waterfront.*
3. *To bring forward a mix of development which would create a wide range of job opportunities and would reflect the hopes and aspirations of the communities of the area.*
4. *To achieve the highest standard of design and quality in all types of development and investment.*
5. *To establish the area as a recognized centre of excellence and innovation in the field of urban regeneration.*



The CBDC area ranged from Penarth Head in the west through to the River Rhymney in the east, but the main focus was around the core Cardiff Bay area.



A key difference between CBDC and the other UDCs was that it did not have its own planning powers and it did not have an enterprise zone within it. I think that this was a wise choice. In some areas such as Docklands radical powers were needed to drive through change, and enterprise zone status was needed to achieve the scale of development. Without that, Canary Wharf, City Airport and other major Dockland schemes would not have taken place. In other areas such as Newcastle, Sheffield and the West Midlands, existing land owners or the UDCs could not resist the enterprise zone opportunity of uncontrolled planning and tax breaks to develop large shopping malls to gain a quick return or fund other works, but this also produced a serious adverse impact on central retail areas over time. Whilst CBDC did create some retail development, in particular at Ferry Road, there was never the feeling that it had run away with it, and the checks and balances of the planning system were, I believe, part of that.

- Phase 1 Set up, plan making 
- Phase 2 Acquisition, Reclamation, Infrastructure, Change 
- Phase 3 Development 
- Phase 4 Wind up, legacy, asset disposal 

Having spent part of my earlier career in a new town, I had an insight into the process and the life-phases of these organisations. They initially have a set-up period when they get established and are plan making, and it is all very positive. This is then followed by a much more negative heavy lifting process when they need to acquire land, confront all the problems that go with it, deal with the local opposition and actually in that process, cause many businesses to decline or close. They also carry out the disruptive process of delivering new roads and infrastructure. Once that phase is through then there is another more positive phase when development gets under way. Then the final wind-up phase is usually a mix of positive and negative when there is preparation for life after the development corporation with asset disposals, an orderly wind-up, and consideration of what its legacy should be.

CBDC had this pattern but unfortunately the more negative Phase Two did drag on for a long while because of the scale of the areas it had to deal with and the focus, particularly on the Barrage, which was fundamental to the Corporations rationale. CBDC's life was cut short by its early wind-up after 13 years in 2000, only a year after the Barrage was completed and so it barely enjoyed the positive development delivery period. CBDC never had the opportunity to really exploit the stunning waterfront that it had created. The original aspiration was that it would need a generation to achieve the change and deliver on its mantra of "creating a place to live work, and play". In the end it only had half a generation.



The Barrage was a huge undertaking in its own right and was only completed just before the Corporation was wound up. The delays and problems that it encountered were partly environmental with the destruction of the inter-tidal habitat of the dunlin and the redshank, and the growth of awareness of environmental issues.



There were legal challenges as a private Act of Parliament had to be obtained because the open sea was being impounded and this process ended up with two Parliamentary Bills having to be run and caused years of delay.



There were major concerns at that stage about the effect of ground water changes following the bay's impoundment by the Barrage. There were worries about the housing in south Cardiff and Grangetown in particular, but concerns also extended along the Taff River up into the city centre including the Cardiff Arms Park area.



Much time was spent on modelling the effects and dealing with alarmist stories about wet cellars. The drainage system for south Cardiff had to be completely reorganised because at that stage most of the sewers discharged into the Bay.

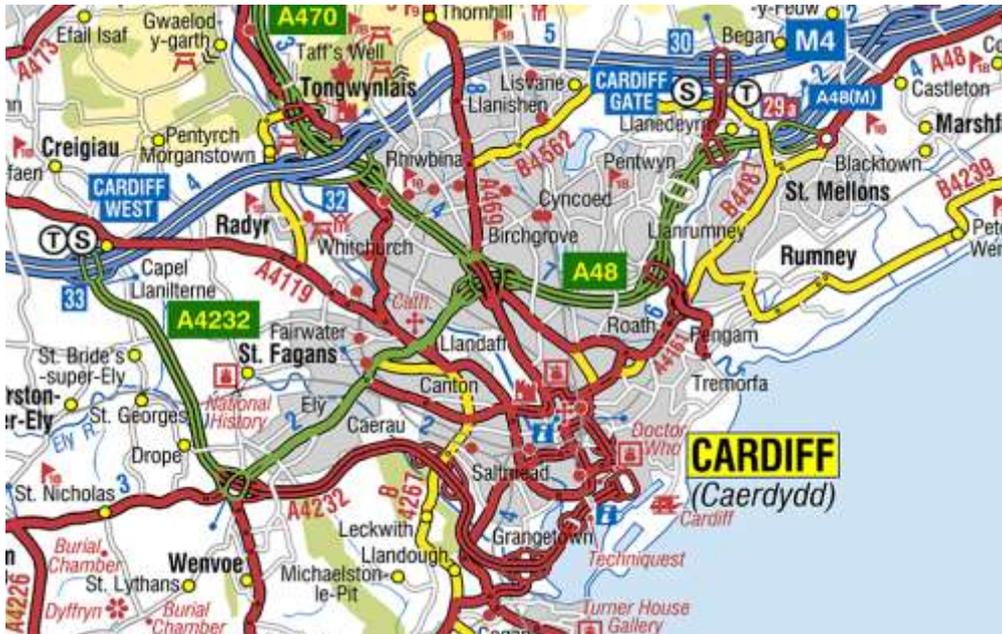
There were also concerns that impounding the waters would cause flooding, although ironically one of the consequences of the Barrage is that it is now a huge flood prevention scheme for south Cardiff which restricts the real flood problem which arose from storm surges.

The construction of the Barrage was complicated and costly and overall it was a major drain on the financial and physical resources of CBDC. However, on the plus side it was built and it has now helped create the huge physical changes that we see and is a permanent legacy for generations to come.



Besides creating the Barrage and the Bay, and the transformational effect of that, the Development Corporation was about re-generation and re-cycling derelict and low value land through to new uses. It built drainage, brought in new services, decontaminated land and built roads.

The roads in the area were a major issue and until the 1980s were still largely based on the Victorian pattern of streets. They were sub-standard for modern development.



There had been a long term plan for a high speed road around Cardiff to create what is now known as the Peripheral Distributor Road (PDR). (It would be great if we could have a more iconic name for this important road than PDR). This was to link to the M4 Motorway that skirts the north of Cardiff. It joins the M4 on the eastern and western sides of Cardiff and hangs from it to then loop through south Cardiff to develop what was poetically termed “a necklace of opportunity”.



The southern tip of this road was to pass through Butetown close to the waterfront, and at Atlantic Wharf to join a new road to the central area. The proposal was that it would pass on a bridge over the River Taff, and then on an embankment or viaduct through Butetown. CBDC to its credit identified the severance that this would bring. Cardiff would fall into the trap so many cities around the world fall into, of putting a major road at grade or high level on derelict land along its waterfront, thereby severing the waterfront.

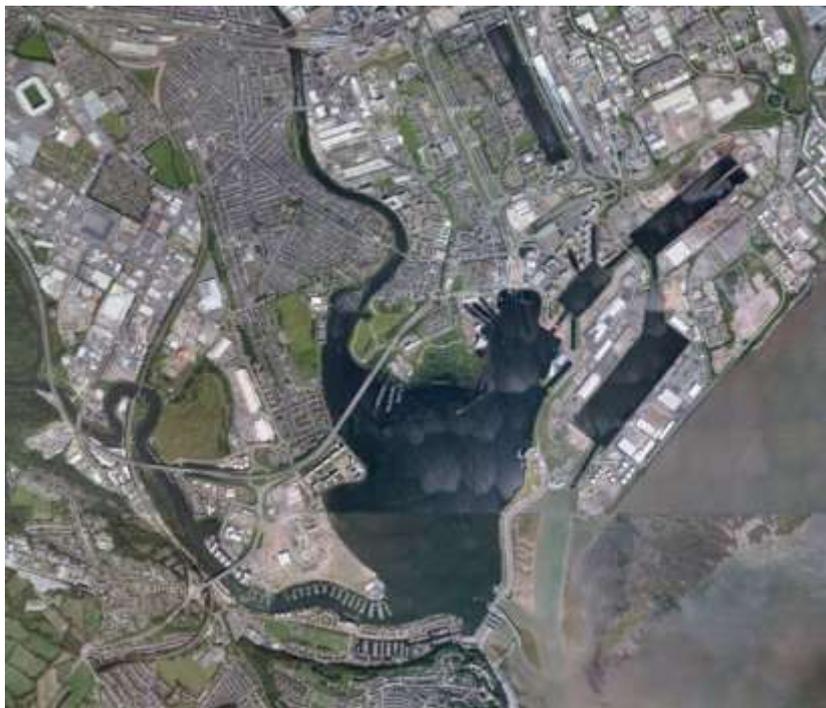
Who Remembers This?



BOSTON'S BIG DIG



Examples are Seattle and Boston (in Boston the Big Dig eventually undergrounded the interstate at massive cost). CBDC saw the huge risk that this caused in Cardiff Bay and fought and won the battle with the Treasury to have it put in a tunnel through Butetown



When the tunnel was built with the additional Treasury money, it was the second longest road tunnel to be built in that era after the Limehouse Link, which provided the link from Central London to Canary Wharf.

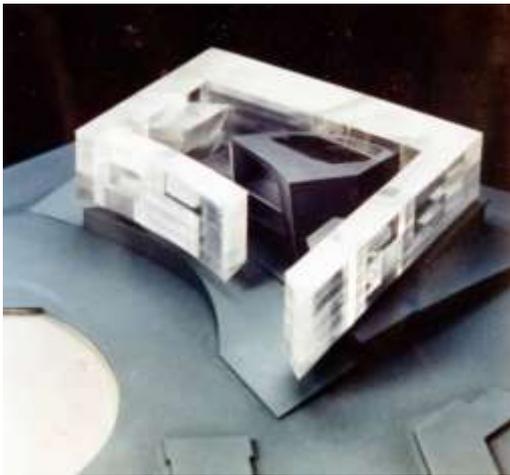


It was a huge achievement and along with the Barrage is one of the great lasting legacies of the Corporation. Not such a good story was Bute Avenue and Bute Square, now called Lloyd George Avenue and Callaghan Square, which were built in a rush at the end of the Corporation's life on an expensive PFI Scheme.



Heralded as a "Ramblas" style link, the square and avenue never really lived up to expectations, partly because their surroundings were just not stimulating enough and they didn't connect well at the north end where there was a railway pinch point.

However, at least they are there and can be re-shaped and made over at a future date when the knot of railways, metro and public transport system are sorted out. In hind sight I am sure it is better to have the square and avenue built than not having them at all.



Towards the end of CBDC's life, fresh controversy arose regarding the creation of a cultural performing arts facility for the bay. The Wales Millennium Centre you see today was a final incarnation of the earlier Cardiff Bay Opera House proposals to have an iconic building at the heart of the Bay, but which got bogged down in dispute when Zaha Hadid's proposal was rejected.



CBDC also achieved a lot elsewhere. In the west at Penarth Haven, the old dock was being back-filled with refuse by the local Council when it was bought by CBDC to be life as a marina, and at Ferry

There had long been tensions and opposition from local government and MPs about CBDC's powers, its budget and its lack of democracy. So it is not surprising that it was to be wound up soon after the Assembly was established and a different political party was in power at Westminster. Its assets were transferred to a combination of central government and local authority organisations. The total spend was £480m (with almost half on the barrage) or around £37m per annum, and I think it did pretty well against its objectives. The main failure is usually considered to be not reuniting the city centre with the waterfront which is correct, although when I re-read objective 2, it does say "City of Cardiff"

CBDC Successors



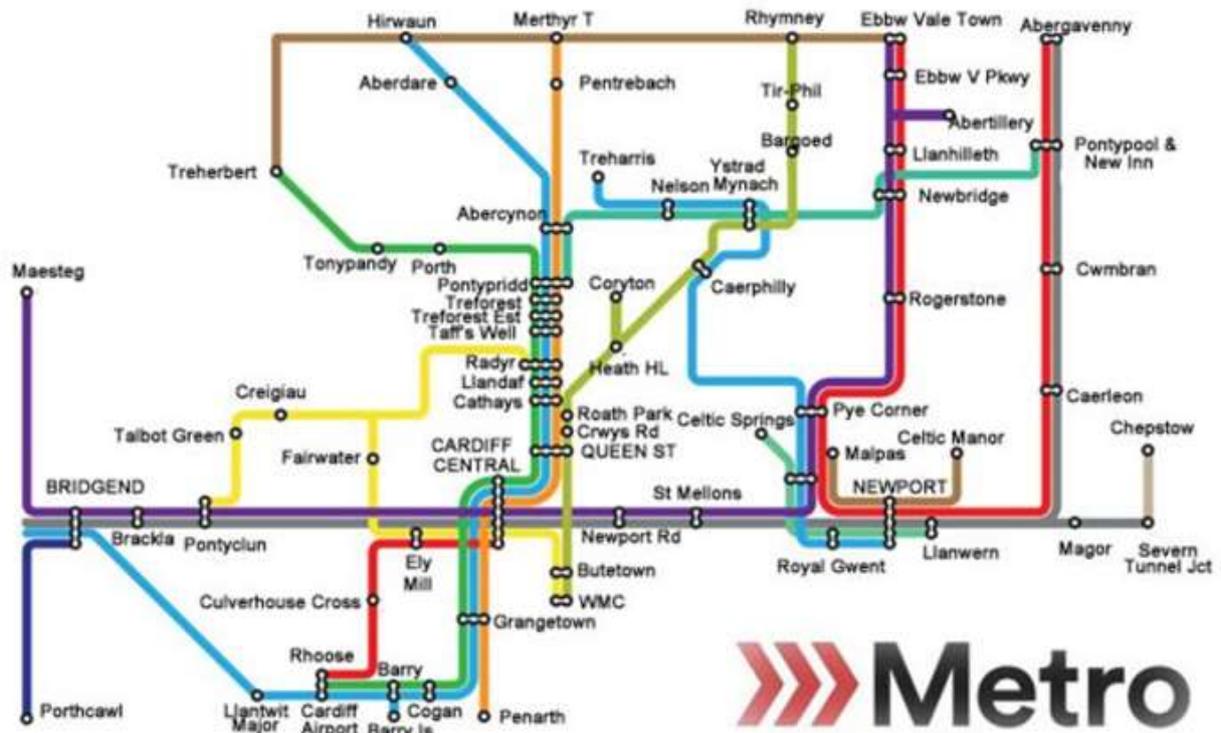
Llywodraeth Cymru
Welsh Government



The end of the Corporation in 2000 was quite abrupt and by general consent was too soon. The prevailing feeling was that it should certainly have had another five years and possibly another ten years. Its demise did create a vacuum simply because the enhanced focus, financial clout and authority that such an organisation brought, disappeared and has been difficult to replace. It did deliver great infrastructure in terms of the Barrage, the Butetown Tunnel, new roads, land acquisition and site remediation and preparatory work.

What took place on its wind up was not the fire sale that some have suggested, but it was nevertheless a break up of its landholdings and with it the dissipation of the focus, vision and funding that the single authority had been able to bring.





At CBDC's wind up some aspects which should have built on the infrastructure platform remained incomplete. These included development around the full extent of the waterfront, strong linkage between the waterfront and the city centre, and the public transport system, all of which are still being addressed over 15 years later.

So the ongoing development of the Bay has been left to others. Cardiff Council has facilitated a lot of it, albeit with a fraction of the financial resource that CBDC had available to it.



It nevertheless has achieved the International Sports Village development with a major swimming pool and ice hockey facility together with a range of development around them.



Welsh Government have created their main base in Cardiff Bay with the Welsh Assembly's iconic Senedd debating chamber building and its offices, and has enabled some land previously held by CBDC to come forward although some is still held back.

Development overall however has been altogether at a slower pace than CBDC with its financial muscle could deliver. It is now dependant on natural property cycles and market dynamics, with the housing market boom in the 2000s delivering much of the post CBDC development in Cardiff Bay, followed by a lull after the crash of 2008 which is still being felt in both commercial and residential property development in the Bay. The Bay business and office markets are now being overtaken by the current developments north and south of the Central station area with their far superior public transport access.



A real concern is that, although the level of economic activity in the Bay area is far, far higher than it was 30 years ago, perhaps not surprisingly the steam and drive seem to have gone out of the Bay economy.

It is just over thirty years since the designation of CBDC. That is a proper interval from which to judge the outcome of the change that has been secured and building on the platform which has been created, to develop a fresh vision for Cardiff Bay for the next 30 years in order to complete this long term transformation.

From a property perspective the changes have been massive from those derelict buildings that I first saw in the early 1980s. Then, Cardiff was just another post-industrial city (albeit a capital city) which was having to find its way forward into the future. Now it is a modern 21st century city which really has international quality and status as well as a great quality of life.



Not all of this change was about Cardiff Bay, but the development of Cardiff Bay which followed the wind-down of the coal trade and the demolition of Eastmoors steelworks, probably has led to the greatest change in perception of what Cardiff is about, as well as other factors such as the Millennium Stadium, the growing University base and its sporting facilities.



Cardiff Bay however is **the** USP.

No other UK city has a body of water like Cardiff Bay has, close to its city centre. It really does now bear comparison with European and world-wide cities.

All of this has bought people back into the Bay area and helped give Cardiff a new confidence, a new image and a great profile that changes perceptions both within and well beyond Wales. The benefits of that profile and confidence has spread out into the city region and hinterland of the Cardiff Valleys, where similarly radical environmental, social and economic change was taking place and has helped put Wales onto the map. For investors, businesses, residents and students, there is a buzz that this is a great place to be which has its own character and sense of identity.

Nowadays you do not hear talk of wading birds, ground water, social divisions or even the good old days of Tiger Bay. This massive property project has put all that behind us now and left us with this strong platform in south Cardiff in the 21st Century which can be built on and taken further to complete this great legacy.

Michael Lawley
31st May 2018