The reinvention of south Cardiff:

The state and post-industrial urban regeneration: the reinvention of south Cardiff

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South Cardiff was once dependent on the export of coal and the production of steel, but these activities had faded by the 1970s, creating economic stagnation and physical dereliction. However, the area was rechristened ‘Cardiff Bay’ in the mid—1980s and was the focus of an ambitious and contested state—funded regeneration. This article argues that regeneration was broadly successful, although not without failures, and that government remained willing to intervene heavily in some small areas. The main contribution is to identify and analyse how local authorities retained influence over regeneration, in contrast to approaches taken elsewhere by central government.

Introduction

Cardiff is a relatively new city, growing from an insignificant village at the start of the nineteenth century to become the largest settlement in Wales by 1900. While the city has no reserves of mineral resources, proximity to the coalfields of the south Wales valleys drove the rapid development of a large dock complex for coal exportation. However, the long decline of coal mining led to this trade ending by the 1960s, while a large steelworks located adjacent to the docks closed in the following decade. South Cardiff’s economy was heavily dependent on such activity, and its cessation led to stagnation and widespread dereliction. However, the area was rechristened ‘Cardiff Bay’ in the mid-1980s and became the focus of a hugely ambitious and contested regeneration effort involving £500 million of government grant, with a £200 million barrage as its centrepiece. By the start of the twenty-first century, the area’s physical appearance and economic base had been transformed.
Opinion on the regeneration has long been divided. Its promoters have been unsurprisingly keen to praise what they see as its achievements, with Lord Crickhowell, secretary of state for Wales between 1979 and 1987 (as Nicholas Edwards) stating in 2011 that ‘if I’m feeling depressed and I want to be cheered up, I go and look at it and think, “gosh yes, look what we’ve done”’. Conversely and equally unsurprisingly, the scheme's opponents have a different opinion, with Llew Smith, Labour MP for Blaenau Gwent, claiming in 2001 that ‘it’s one of the greatest financial scandals of post-war Britain, it’s been a disgrace. They’ve poured money into the glorified lake while the rest of Wales is starved of cash.’ The few academic studies have also been broadly critical, noting an insufficient emphasis on the social aspects of regeneration, the persistence of entrenched social and spatial inequalities as well as the failure to meet ambitious regeneration objectives, although the political economy of the development has been little examined.

This article focuses on the reinvention of south Cardiff, drawing on archival material as well as interviews with politicians and those formerly holding senior positions within governmental organizations. It examines the progress of the development and its political economy to make three arguments. First, while the redevelopment was broadly successful in transforming the area’s appearance and economic prospects, success was far from unqualified as pockets of deprivation remained in the area. Second, Cardiff Bay highlights the extent to which governments led by Margaret Thatcher and John Major were prepared to intervene in some small areas and how local political elites of all parties worked together, as did governmental organizations, to secure regeneration despite wide-ranging and vociferous local opposition. Finally, when considering local government’s role within urban development, the literature focuses on its declining importance as responsibilities were systematically curtailed by central government, in part through deregulatory Enterprise Zones and autonomous Urban Development Corporations (UDCs). However, the governance of Cardiff Bay was more nuanced and local government retained an important role. Ironically, this was cemented by decisions taken by a central government department (the Welsh Office), but its territorial remit and administratively devolved status meant that this department was more sensitive to local conditions and could adjust its policy accordingly. The article’s main contribution to urban history is its identification and analysis of the processes by which local authorities retained influence over the regeneration of south Cardiff, in contrast to the approaches taken elsewhere.

The factors which enabled redevelopment relate to Cardiff's complex political economy in the 1980s and 1990s, with government bodies interacting to facilitate regeneration and overcome large-scale public opposition to some elements of the development. These
organizations included the Welsh Office, created in 1964 as an administratively devolved department with responsibilities over areas including transport, education and economic development. Controlled by the secretary of state for Wales, a cabinet minister with broad discretionary powers, it established the Welsh Development Agency in 1976 and the Cardiff Bay Development Corporation (CBDC) in 1986. Three local authorities also operated within south Cardiff between 1974 and 1996, with spatial and operational responsibilities divided between South Glamorgan County Council, Cardiff City Council and the Vale of Glamorgan Council.

The remainder of this article is structured as follows. The next section discusses the economic trajectory of south Cardiff before regeneration, while the subsequent part details the beginnings of redevelopment. The following sections outline the creation of the CBDC, examine the arguments over the Cardiff Bay barrage and describe the overall redevelopment of south Cardiff. Finally, the article assesses the success of the development as well as the circumstances that enabled it to proceed, before concluding.

**<A-head>Tiger Bay and the docks**

In 1801, Cardiff was an insignificant village with a population of 1,870. By 1841, it had grown slowly to reach 11,442, but the city's population then grew at an explosive rate, reaching 82,761 by 1881 and 182,259 by 1911.\(^6\) This was caused by a fortunate combination of geology, geography and technology. In geological terms, the coal and iron ore fields of the south Wales valleys enabled the region's emergence as a major industrial centre by the late nineteenth century. Crucially, Cardiff's geography endowed it with multiple advantages. It was less than 10 miles from the coalfield's southern edge, sat at the mouth of the river that drained its richest part and possessed a large natural harbour, whose currents led to its naming as 'Tiger Bay', apocryphally by Portuguese sailors. Finally, the development of new technology, especially steam powered shipping, created huge demand for south Wales steam coal. Enormous flows of coal for export headed south on railways through the valleys that led to Cardiff, before converging on its docks, which became the world’s largest coal port.\(^7\) It has been estimated that a quarter of the global trade in the sources of light and energy at the end of the nineteenth century originated from the south Wales coast, with the role played by the Bristol channel compared to that of the Persian Gulf in the 1980s.\(^8\) At the same time, locally produced iron ore was unsuitable for newly developed production processes, spurring existing producers in the
region to seek new locations closer to ports to enable ore importation, with a large steel plant opening in south Cardiff by the 1890s.

By 1900, south Cardiff was almost entirely dependent on coal and steel, crowding out diversification into activities such as engineering. Unlike other ports such as Liverpool, export trade was dominated by one product while imports were negligible, being some five times smaller in volume than exports in 1911. Overall, it was observed by the 1930s that ‘few seaports of the magnitude of Cardiff…have developed in so lopsided a fashion’. Writing at the end of the twentieth century, a local author remembered that ‘the place permanently stank of coal and ash. The vast East Moors steelworks at its centre turned the air dark. Most of south Wales’ coal output clanked its way through the city centre to leave through its port. Cardiff was a place of smog and dark sunrises’. As well as this, south Cardiff was separated from the rest of the city by the embankment carrying the railway linking London with Pembroke dock, with this being seen as part of a local ‘Mason–Dixon’ line, dividing ‘respectable’ Cardiff from the ethnically diverse and often stigmatized docklands.

However, while the boom was spectacular, it was short-lived. The coal industry declined from the 1920s onwards, with exports from Cardiff ceasing in 1963, while the steelworks shut in 1978. By this time, south Cardiff was a worn out and largely derelict environment that contemporary observers described as featuring ‘vast areas of wasteland within a half a mile of plush offices’ in the city centre, while ‘Tiger Bay, as it had been, was very decayed, run-down. The whole thing was ghastly…Cardiff itself had somehow got lost.’ While Cardiff’s central and northern parts were able to use the city’s status as a commercial, retail and administrative centre to retain some measure of prosperity, helped by its designation as Wales’s capital city in 1955, its southern part had lost its economic reason for existence. Finally, ill-fated housing clearances during the early 1960s relocated many inhabitants of Butetown, the residential core of the docklands, into unpopular tower blocks, leaving them ‘marooned in a sea of industrial dereliction’.

South Cardiff before Cardiff Bay

Given the scale of dereliction by the 1970s, South Glamorgan County Council was fully conscious of the need for redevelopment, with its 1977 structural plan calling for the ‘industrial expansion, redevelopment and reclamation of the waterfront strip’. Its director of planning explained the reasoning behind this goal in a speech at a luncheon attended by James Callaghan, prime minister and MP for Cardiff South. He stated that ‘all cities’ had social, economic and
environmental gaps, but that 'our gap was getting wider, the great steel works was making people redundant...the existing social, environmental and economic conditions in South Cardiff were already poor and they would become worse. Public policy must be directed at closing that gap. Gaps that were getting wider were dangerous.' While James Callaghan as an assiduous constituency MP was fully aware of south Cardiff’s changing economy, he exerted little direct pressure on local authorities, leaving their powerful and well-embedded leaderships to formulate policy. The scene was now set for local authority-led regeneration, with the county council starting to construct a peripheral distributor road to link the newly built M4 motorway to south Cardiff. The city council was also active, having set out its priorities in 1979’s *East Moors Plan*, after which it worked with the Welsh Development Agency to clear the steelworks site and construct factories. However, local authorities were aware that building new factories would not enable the creation of jobs in sufficient numbers to offset those lost within declining industries and by 1983, the county council stated that its ‘strategy may have to switch emphasis [to the] service sector in order to generate sufficient jobs’. While this may seem obvious in hindsight and policy at a UK level was already shifting in this direction, it was innovative in the local context given that economic development throughout Wales was still focused on attracting manufacturing with, for example, only 5.5 per cent of the Welsh Development Agency's equity investments throughout Wales being within service sector companies by mid-1982. The first major council-led property scheme took place in the early 1980s around the abandoned Bute East Dock, foreshadowing the pivotal role of the Welsh Office in enabling regeneration. While the Labour-run county council set the city's development strategy and was keen to progress its plan for local regeneration, the Conservative-run city council assessed individual planning applications and was reluctant. The county's chief planning officer later recalled how the secretary of state intervened to force co-operation with a ‘Conservative Secretary of State telling a Conservative councillor, “Don’t be so stupid, work with the county, don’t fight them.”’ Once the dispute was resolved, the county council entered into a joint venture with Tarmac Construction and constructed housing around the dock, grant assisted by the Welsh Office. However, local residents were distrustful given the legacy of the housing clearances of the 1960s, viewed by many residents as having largely destroyed a long-established community. The county's economic development director recalls a Tarmac representative telling a particularly restive group in Butetown that ‘this [development] is what’s going to happen, and it would be much better off if we could do this [the meeting] in a sort of a peaceful atmosphere’, only for an enraged resident to stand up and say ‘what you don’t realize
is that we are the moderates, the others are outside setting fire to your car’. While this was rhetorical, it symbolized the distrust that was to endure throughout the entire redevelopment of south Cardiff. Importantly, the county council also decided to build its headquarters within the derelict docklands to act as a ‘flagship of hope’ in ‘the midst of dereliction’.25 Opened in 1988, County Hall was surrounded by wasteland on three sides and the disused dock on the fourth, and was the first major office investment in the area.

The second foci of regeneration was building road links, and this gave birth to what was to become the centrepiece of the Cardiff Bay project, the barrage. To link the western M4 with south Cardiff, the peripheral distributor road had to cross the river Taff on a bridge or barrage, with the latter impounding a small section of tidal mudflats. These were part of a much larger area created by Cardiff’s tidal range of some 40 feet, one of the world’s highest. Parliamentary approval was required for any alterations to a navigable waterway, and James Callaghan introduced a private bill to parliament in 1985.

**<A-head>The creation and aims of the Cardiff Bay Development Corporation**

However, having already intervened, Nicholas Edwards was now to do so far more forcefully as the idea of a large programme began to germinate, superseding the initial barrage idea. In mid-1985, he took a short trip from his office in central Cardiff to the docklands, later recalling:

I decided we’d better spend a day and really look at Cardiff and what on earth we were going to do about it. We went to South Cardiff, and it was a desert, it was a derelict desert…Surely we ought to be getting people to live and work and play down here. I mean this is coast. And what do we do to do it?26

Options were now being discussed within the local authorities, the Welsh Office and Associated British Ports, the major landowner in south Cardiff. The small size of Cardiff, a city of some 300,000 people, meant that council officers could later observe that Welsh Office officials ‘travelled the same streets and lived in the same houses’ as they did.27 As a result, discussions within different organizations overlapped and from these, the Welsh Office proposed the construction of a far larger barrage. Both the Taff and Ely rivers empty into a large circular bay with a coastline of some 12 kilometres, with its mouth being a kilometre across. While the initial proposal would have left this area largely untouched, the later scheme
proposed damming the mouth of the bay, creating a freshwater lake of some 200 hectares which combined with impounded rivers to produce 16 kilometres of new non-tidal water frontage.²⁸

Political considerations at both national and local levels now enabled this far larger project to take shape. At the national level, central government’s approach to regional economic disparities until the early 1970s was based on ‘regional policy’, which featured regulatory and incentive mechanisms that steered factories to priority regions. However, the volume of manufacturing attracted to Cardiff by such mechanisms was limited, as the coalfield to the north of the city was instead prioritized. The city sat outside central governments’ priority regions during the 1960s while Cardiff-based manufacturing operations were eligible for only limited financial support during the 1970s, although some relocations of government activity took place, including the Inland Revenue. However, regional policy throughout the UK was faltering by the mid-1970s, as high costs meant that it was under pressure from budgetary constraints; deindustrialization was impacting its effectiveness and growing problems within inner cities were capturing governments’ attention. As a result, the 1977 ‘Policy for the Inner Cities’ White Paper highlighted the impact of structural change towards the service sector as well as poor environmental conditions on urban economies, with the subsequent Inner Urban Areas Act establishing Inner City Partnerships to address these issues. Led by local government, their impact was limited while administrative devolution confined their application to England, with efforts in Wales dominated by individual schemes led by either local authorities or the Welsh Development Agency.

Central government’s shift away from regional policy accelerated in the early 1980s as less expensive measures within small urban areas were prioritized, with these symbolized in England by the creation of UDCs. These were ‘Thatcherite flagships’, incorporating a disdain for local government as well as a belief that regeneration needed the creation of market friendly conditions.²⁹ With fixed lifespans of some 10 years, they aimed to use land acquisition and planning powers to stimulate property-led development. They were first established in London’s Docklands and Liverpool in 1981, with a second wave later in the decade. Budgets were generous, with the London and Liverpool UDCs jointly receiving some £100 million per annum in the early 1980s.³⁰

The UDCs offered the Welsh Office both the resources and an organizational template to realize its ambitions. Resources flowed from the workings of the UK’s territorial finance system, chiefly the Barnett formula.³¹ It acted to preserve higher per capita expenditure levels in Wales, Scotland and Northern Ireland than in England. Increased spending in England on activities administratively devolved to Wales, such as UDCs, led to greater allocations to the
Welsh Office. However, the Welsh Office needed permission from HM Treasury to proceed, highlighting the importance of the secretary of state’s cabinet status. He had a bruising meeting with Margaret Thatcher, recalling later that ‘she’d obviously been briefed by the Treasury to ask a lot of slightly hostile questions about Cardiff Bay…she marked her brief with a sort of yellow pen, as she did on these occasions, and she gave me quite a serious grilling.’ He then privately threatened resignation, after which funding was approved. This was to be generous, at over £500 million between 1987 and 1988 and the Development Corporation’s wind-up in 2000, with the CBDC receiving the second highest allocation of any UDC, behind London Docklands.

While the UDC template existed, with the CBDC's chair later noting that ‘Wales always has to have what everyone else has – and why not?’, the close relationships and shared interests between the Welsh Office and local authorities meant that the UDC model was to be amended. Cardiff's local authorities were determined to resist a wholesale adoption of the English approach, where councils lost planning powers to UDCs, whose boards were dominated by private sector appointments. The Welsh Office did not share central government's dim view of local government, and the councils retained planning powers and were allocated five of the CBDC's 12 board members. Planning disputes between the local authorities and the Development Corporation had to be referred to the Welsh Office for resolution, but this only happened for five of the 3,000 decisions made during the corporation's lifetime, reflecting the close relationships that existed.

Nicholas Edwards’ launch of the Development Corporation in December 1986 set a hugely ambitious tone, with the new body told to establish Cardiff as a ‘superlative maritime city, which will stand comparison with any such city in the world’. It covered 1,092 hectares (11 square kilometres), one sixth of Cardiff’s extent, comprising land south of the city centre, much of which was formerly occupied by the steelworks and docks. Cardiff Bay’s area was the sixth largest of those covered by any of the 14 UDCs established between 1981 and 1992–93, being far larger than some such as Central Manchester (187 hectares) or Bristol (420 hectares) but smaller than others such as London (2,150 hectares) or Teesside (4,858 hectares). However, 6,000 residents remained in the redevelopment area (the fourth highest number of any UDC), while 15,000 people were employed in 900 companies including shops, engineering facilities, a scrap steel reprocessing plant and the remnants of shipping related services. It also included Butetown, home to some 3,000 people and once the multicultural centre of ‘Tiger Bay’, as well as the largely deserted commercial core of the docks and the adjacent area on the foreshore known as the inner harbour. However, land owned by Associated British Ports (ABP)
was excluded from the area where the Development Corporation could compulsorily purchase land, with the company contributing instead towards regeneration costs. The mechanics of this were opaque, while the interlocking nature of politics and commerce in Cardiff was reflected by Nicholas Edwards joining ABP’s board shortly after his retirement in 1987.

The CBDC strongly believed that replacing tidal mudflats with freshwater would be the ‘turnkey for the whole redevelopment of south Cardiff’, through creating a ‘superb environment in which people will want to live, work and play’. The development was modelled on the regeneration of the American port city of Baltimore, sharing its emphasis on a reclaimed waterfront, iconic buildings and designer spaces to serve as an urban playground for affluent residents and tourists, and plans included attracting visitors to an 'arc of entertainment' to be established in the inner harbour at the development’s heart. Baltimore was seen as especially relevant to south Cardiff as its derelict waterfront had been regenerated in what was viewed as an example of global best practice that, given sufficient political determination, could be emulated. Baltimore’s attraction was not restricted to Cardiff with, for example, the London Docklands Development Corporation also drawing on the American city for inspiration. Crucially, the Baltimore approach was injected into the CBDC via the county council, as officers and councillors had visited the city, with the chair of the Economic Development Committee later recalling that ‘we went to Baltimore [and] we learnt a lot of lessons from them’.

Overall, Cardiff Bay was conceived as a project that would, first, reclaim derelict land and 'useless' tidal ground; second, put in place transport infrastructure to allow reclaimed land to be accessed; and third, attract private sector property development across manufacturing, offices, retail, leisure and housing. Reclamation of land made derelict by industry had been a key activity of the Welsh Office since the 1960s, with over 100 square kilometres being eventually cleared between the mid-1960s and the early 2000s. However, much of this was often steeply sloping or located in peripheral areas, having little commercial value after reclamation. Cardiff Bay was different, as its waterfront attributes and proximity to the city centre created what the secretary of state saw as ‘breath taking’ development opportunities. At the same time, the tidal mudflats were seen as a polluted wasteland in need of reclamation, with the CBDC’s chair recalling standing with a potential investor on the foreshore adjacent to a large sewer outfall; 'that critical point of the tide occurred going down, and “woof”’, out came 12 hours of sewage, an appalling smell which pervaded the area all day. And he [the potential investor] said, “Well, I can entirely understand why you’re doing this piece of infrastructure.”
Targets included: attracting private sector investment of £1.2 billion; creating 29,000 permanent jobs; developing commercial/industrial floorspace of 1,150 million square metres as well as 6,000 residential units; and reclaiming 457 hectares of derelict land. The CBDC sought to achieve this through its land acquisition powers, infrastructure development and grants for investors. The heady talk of ‘Europe’s most exiting waterfront development’ led to its regeneration strategy being led by marketing ambitions, rather than the reality of a small city, with the CBDC chairman later stating that ‘if you don’t have ambition you don’t meet a reasonable standard of performance, particularly if you’re in the very uncertain world of politics and economics.’

Published in 1988, the strategy painted an alluring, if vague, picture of a bustling waterfront featuring a maritime heritage centre, an international maritime park with an aquarium, botanic gardens and even a ‘skytower’. Meanwhile, the derelict inner harbour was to be transformed into a high-density urban area where, according to the Boston consultancy tasked with planning: ‘you should be able to walk along a harbour, sit in rose gardens and paddle in boats and it should be enjoyed by the whole city’. However, translating this into reality was to prove a formidable challenge, especially in relation to the barrage.

**Battles over the barrage**

While local authorities were broadly supportive of the £200 million barrage, with its elimination of unsightly tidal mudflats seen as a vital element in creating an environment more attractive to investors, there was large-scale public opposition. Concerns were raised across six areas, with one of the Development Corporation’s first board meetings in 1987 noting 'early signs that some of the local population are doubtful of the benefits of the bay'. First, the Development Corporation’s governance structure was not seen as fully reflective of democratic principles, given that the CBDC’s board members were appointed directly by the Conservative secretary of state, appointed by central government although MPs from his party were a minority within those representing Welsh constituencies. Second, the barrage would destroy a wildlife habitat for wading birds. Third, businesses would be relocated to make way for developments such as road links. Fourth, there were concerns that the barrage would increase the level of groundwater, thus threatening the structural integrity of housing. Fifth, the CBDC’s claim that the barrage would lead to economic benefits, including enhanced property values and job creation, were strongly disputed. Finally, there was particular concern that south Cardiff's inhabitants would not benefit. All these factors came together in relation to the barrage, which became the subject of over a thousand hours of parliamentary debate, delaying
construction for six years. In terms of importance, a leading factor was opposition to central government. The 1980s had been a traumatic decade for many people in Wales, given the severity of the 1980–81 recession as well as the 1984–85 miners’ strike. While Cardiff’s population did not bear the brunt of these events given the city’s service sector-led economy, levels of politicization had risen. As a result, some local residents were keen to use the barrage and its problematic environmental and economic impacts as vehicles for opposing the Conservative-run Welsh Office’s flagship regeneration scheme.

In 1987, a barrage bill was presented to parliament as a cross-party measure, devised by the Welsh Office but supported by the Labour-run county council. However, anti-barrage groups sprang up across the city with eight such groups and a co-ordinating committee established by 1990. They embarked on a prolonged campaign, with an activist later noting that:

A social worker learnt to speak with authority about the historical behaviour of Cardiff’s water table; a JP [justice of the peace] discovered virtually all there is to know about the type of bacteria found in standing urban waste water; an insurance clerk became an authority on the way in which high tides affect dampness in cellars; a librarian and professional clown reconnoitred the dark labyrinths of parliamentary procedure, while a baker discovered the hydrological intricacies of urban drainage systems and river flow.

Campaigning was particularly effective on environmental issues, with the European Commission eventually compelling the Welsh Office to provide a 400 hectare compensatory wetland reserve near Newport. Economic issues were also prominent, with the CBDC commissioning an impact assessment, concluding that if the barrage was built, more than 23,000 jobs could be created, compared to 11,000 if it was not. However, such assessments were notoriously imprecise given that no methodology existed for predicting how replacing tidal mudflats with permanent water would attract more investment. This uncertainty was constantly exploited by campaigners, assisted by what the CBDC described as the ‘major complexity’ of such forecasts, while it emerged in 1997 that HM Treasury's early doubts as to the accuracy of the ‘with barrage’ jobs forecasts may have been ignored.

The opposing sides formed a complex set of alliances. In favour were the Conservative-run Welsh Office and central government, as were the local authorities, all Labour-run by the early 1990s. Against were residents' groups, motivated by a combination of environmental and
political factors including opposition to central government. They were joined by Labour MPs for Valley seats, resentful of the resources being allocated to Cardiff. Local action groups pressured representatives to oppose the barrage with Rhodri Morgan, Labour MP for Cardiff West, receiving over 100 letters a week by mid-1989. He played a key role in the campaign, stating in 1991 that 'the barrage creates no jobs and no homes except for ducks, rising damp and dry rot fungus'. Some overlap between the groups was inevitable, with Cardiff City Council's ruling Labour group being split, while a rebellious group of county council councillors launched 21 anti-barrage resolutions. These were unsuccessful, although council leader Jack (later Lord) Brooks, described by an anti-barrage group as the 'godfather – Callaghan's political agent for 18 years', later admitted to delaying a vote on a resolution in a meeting where pro-barrage councillors were outnumbered. ‘Democracy’, he stated, ‘is about numbers, about arithmetic’. He lit his pipe in the council chamber, deliberately set off a fire alarm before ordering the fire service to conduct a full, two-hour search of the building, forcing an evacuation and the vote’s postponement.

While debate raged in Cardiff, MPs fought the bill in parliament. By 1990, complainants ranged from the Welsh Rugby Union, concerned as to the potential impact of rising groundwater on the pitch at Cardiff Arms Park, to homebuilders concerned about the impact on construction foundations, with CBDC forced to issue indemnities against damage. The volume of petitions meant that the MPs scrutinizing the bill agreed, unusually, to meet in Cardiff. A surreal scene then unfolded in the council chamber on St David’s Day, as MPs were serenaded with the protest’s theme song by a guitarist and 100 enthusiastic supporters, with lyrics including:

\begin{poetry}
At a place once known as Tiger Bay
  Beloved to you and me
  They built a huge barrage
  Which left disaster in its wake
  When they blocked the Taff and Ely off
  To make a yuppie lake.
\end{poetry}

By now, a concerned CBDC was promoting its case via tens of thousands of leaflets and an advertising campaign, but its arguments were being picked apart. While the select committee agreed that the bill could continue, they insisted on a year’s delay for further groundwater research. The bill’s unsteady progress through parliament climaxed in April 1991, when despite
mobilizing cabinet ministers, an exhausted government was unable to muster sufficient MPs to counter 300 amendments. The bill finally collapsed during an all-night sitting with anti-barrage MPs each filibustering for up to two hours. However, the government had invested too much political capital to drop the proposal; to do so would be an act of weakness. A bill was reintroduced, but using the hybrid approach. MPs on the committee considering the bill would now be government-picked, while the bill itself would benefit from government whipping, guaranteeing progress.

The bill finally passed in November 1993, with a relieved CBDC noting that 'no bill before parliament has ever taken so long or been subject to such detailed scrutiny'. Construction contracts were signed on 24 May 1994, with site work beginning the following day. The rush was due to concern that if the unstable Conservative government fell, then an incoming Labour administration might cancel the project. However, while a Labour government took office in 1997, Ron Davies, the new secretary of state for Wales, decided against cancelling the contract, as this would incur compensation costs to the contractors. The barrage was eventually completed in 1999, with impoundment taking place in 2001, some 15 years after the CBDC’s creation.

The redevelopment of south Cardiff

The first years of the CBDC saw a cautious line towards development, based in part on what it considered to be London Dockland’s over-hasty approach. As a result, it gradually bought land and developed plans that featured a commitment to high design standards. By 1991–92, its planning framework was complete, but local area briefs were still incomplete. Minimal development had taken place, leading to the somewhat unfair ‘Can’t Build, Don’t Care’ moniker. However, the scale of the Development Corporation’s funding and powers meant that progress was to be made within its three main areas of activity: the reclamation of derelict land; infrastructural development; and the attraction of private sector investment.

In relation to derelict land, activity proceeded relatively smoothly, although the barrage remained mired in dispute. While landfill sites presented difficulties, much of the land to be reclaimed was derelict dock sidings, straightforward when compared to sites elsewhere in Wales such as coal tips and chemical plants. However, progress was fitful on the second area of activity, transport infrastructure, the main projects of which were the peripheral distributor road and the link between the Bay and the city centre. While the bridge that replaced the Taff barrage proposal of 1985 was completed by 1995, as was a £30 million tunnel under Butetown,
designed to avoid splitting the foreshore from the city centre as had happened in Baltimore, the final section linking the Bay to the eastern M4 was never completed, meaning that only half of the ring road was in place by 2000.

The link between the Bay and the city centre proved equally problematic. Designed by MBM Arquitectes, the practice behind Barcelona’s Olympic village, it was conceived with typical hyperbole as a ‘formal mall of symbolic proportions and length’, with over-enthusiastic comparisons being made to the Champs-Élysées and the Washington Mall. However, much of the site was already occupied by light engineering companies, some 200 of which had been relocated within the city by 1996, with some failing to survive. A tram or light rail system was to replace a railway link that terminated short of the waterfront, sitting on an unsightly raised embankment. However, the CBDC was unable to negotiate the embankment’s removal and the link was eventually constructed in the late 1990s on a reduced scale and without rapid transport. The retained embankment acted as a physical barrier between the impoverished area of Butetown, the new road link and adjacent redevelopments, with the CBDC chairman later labelling this as his ‘biggest disappointment’. Progress on the first two areas of activity was a prerequisite for the third; attracting private sector investment. However, delays meant that the CBDC did not start marketing the Bay until the early 1990s, by which time the economy was in recession and facing the ‘worst investment conditions for 30 years’. At the same time, the lack of a direct link to the eastern M4 hindered attempts to attract investment from the south-east of England. Investors were few and far between, with the first two major office occupiers being either government-run (the Welsh Health Common Services Authority) or recently privatized (NCM Insurance), both receiving large grants. Other investors tended to be small in scale, with the 1994 arrival of a fish and chip shop being much publicized, with the CBDC’s chief executive over-enthusiastically heralding it as a ‘major visitor attraction’, and ‘where Harry Ramsden’s leads, others will follow’. Economic recovery in the mid- to late 1990s enabled the attraction of some investors, such as hotels, shopping centres and cinemas, but these usually received grant support, totalling £23.7 million. However, the NEG Schott television glass factory was captured. Creating some 750 jobs, it was welcomed by the CBDC as ‘nothing else is as significant’, although as one of its location criteria was proximity to a seaport given its import requirements, the barrage ironically played no part in its decision. However, residential developments were to emerge as the most successful element of the entire project by the mid-1990s, with the Bay shifting from a commercial- to a housing-led regeneration. Once some road links had been put in place and
sites reclaimed and marketed, a stream of projects were brought forward with, for example, seven national house builders active in the Bay during 1991–92.\textsuperscript{77}

Overall, the CBDC tended to see the Bay as a blank space awaiting commercial development. While some effort was made to link local residents with jobs, with its employment office securing some 1,500 jobs for local residents, less than 2.5 per cent of the Development Corporation’s budget was spent on such initiatives.\textsuperscript{78} The CBDC's attitude to the Bay as a whole can be symbolized by major projects within the inner harbour, the area of the foreshore with the highest potential for development, to which it was keen to attract flagship developments within an ‘arc of entertainment’. Within this area, the Welsh Industrial and Maritime Museum occupied a prominent site, with its 1970s building seen as unattractive. Somewhat unwisely, the museum agreed to sell its site to the Development Corporation without confirming an alternative location in the Bay, and the site was promptly sold on to a commercial developer for a ‘waterfront festival shopping complex’.\textsuperscript{79} After failing to secure an alternative site, the museum's exhibits were stored until the opening of a new building in Swansea some years later, with a House of Commons Committee criticizing the Development Corporation for its 'excessively commercial approach to regeneration'.\textsuperscript{80}

While the CBDC was relatively unconcerned about the maritime museum with its remembrance of the area's industrial past, the concept of a lottery-funded Opera House with an international profile was more attractive. An Opera House Trust, headed by former Secretary of State Nicolas Edwards, led the project and chose a radical design by Zaha Hadid. The bold, sharply angled glass and concrete design divided opinion, and with alternative proposals for the redevelopment of the Arm’s Park national rugby stadium also requiring lottery support, dispute raged. While the Development Corporation was initially keen, providing some funding as well as an inner harbour site, political changes led to a reconsideration. After 1996, the two-tier local government authorities were replaced with a unitary council, and the new authority prioritized the rugby stadium which obtained lottery funding. The Opera House was rejected for funding, the CBDC withdrew its support with a furious Nicholas Edwards later accusing it of having been ‘rampaging around’,\textsuperscript{81} while the city was subject to negative publicity.

Overall, delays meant that the CBDC was behind schedule by the time of its abolishment in 2000 (see Table 1), even though time lags associated with land reclamation and development meant it was accepted that not all of its targets could be met in its lifetime. Despite this, significant momentum was in place, especially within housing and retail development. The final collection of data took place in 2004, finding that further progress had taken place (see Table 1). It also assessed the impact of projects underway or committed to start, finding that
all of the targets were likely to be exceeded within a few years as redevelopment continued, with regeneration responsibilities reverting back to local authorities and the Welsh Development Agency.82

<Table 1 near here>

Regeneration did continue after 2000, such as the two developments that came to symbolize the Bay: the Wales Millennium Centre, which was a reimagined and renamed Opera House that obtained lottery funding, and the National Assembly for Wales (NaW) debating chamber, known as the Senedd. These were located on adjacent sites within the inner harbour and assumed iconic status, with the NaW's presiding officer noting in 2016 that the Senedd had 'established itself as a central part of Welsh public life'.83

Successes, failures and enabling factors

The CBDC used its large-scale funding to alter completely the physical appearance of south Cardiff, with the NAW’s most senior civil servant noting in 2001 the ‘enormous transformation of a seriously contaminated and derelict part of the capital city’.84 At the same time, the heavily polluted tidal mudflats were transformed into a reservoir, while the spectre of rising groundwater levels failed to materialize. Large-scale infrastructure development opened up south Cardiff to investment, with housing, retail and leisure developments gradually spreading throughout the area, with housing clustering around the shores of the Bay, transformed by the barrage into a more attractive location. At the same time, the redevelopment of the inner harbour and the construction of the Wales Millennium Centre and the Senedd created a recognized image of post-devolution Wales, boosting Cardiff’s profile. Finally, the north–south spatial divide that had been such a prominent part of the city’s socio-economic topography was eradicated.

However, perhaps unsurprisingly, south Cardiff had not been transformed into a ‘superlative’ maritime city that stood comparison with those such as Barcelona. The CBDC’s high design standards were not always met, with the development being fragmented, characterized by an over-abundance of open space and hard landscaping. As well as this, much of the city’s manufacturing base had been displaced, with such employment falling by 30 per cent within Cardiff Bay between 1991 and 2001, double the rate for south Wales. Also, the extent to which Butetown benefited is debatable, with unemployment remaining at 6.1 per cent
in 2001, almost double the figure for the city. Crucially, the economic impact and hence value for money of the barrage is unquantifiable, given that much of the development away from the foreshore may have happened without the barrage, with a 2004 evaluation assuming that only 19 per cent of jobs were linked to the barrage. Finally, while investment in housing, retail and leisure was attracted, significant levels of office occupiers were not. It proved impossible to attract large volumes of such investment, in part due to transport difficulties, and the area became increasingly dependent on public sector employment, which almost trebled between 1991 and 2002. Overall, many of the negatives reflected the CDBC’s over-enthusiasm in that a development of the scale of Cardiff Bay was always going to struggle to materialize over a 15-year period in a property market of a city of 300,000 people, compared to Baltimore’s 2.5 million. Despite such difficulties, tangible outcomes were plain to see in Cardiff Bay by the millennium with development continuing afterwards as vacant sites were gradually built out.

The reinvention of south Cardiff was spurred by a unique combination of national and local circumstances across political and economic factors. Within national politics, the Thatcherite rejection of conventional regional policy as well as distrust of local government led to the UDC experiment, while the Barnett formula meant that extra expenditure in this area was available to the Welsh Office. Conversely, national circumstances also spurred the barrage’s opponents, as while they focused on environmental and financial issues, anti-government motivation was often apparent. In relation to economic factors, the development recognized the speed and scale of deindustrialization, given its focus on service sectors such as retail, housing and leisure, not manufacturing. One of the barrage’s most trenchant opponents, Rhodri Morgan, later summarized the entire process as driven by the concept of ‘turning what had been Cardiff’s backyard into Cardiff’s front garden’, albeit at the price of some losses to manufacturing employment.

In local economic terms, south Cardiff was clearly an area in need of large-scale regeneration, while its proximity to the city centre gave ready access to a potential market. The development also linked into the long-held idea that the outdated economic structure of south Wales needed modernization through attracting employment in ‘newer’ sectors such as services. It was thus seen as a flagship regeneration for south Wales as a whole, even if in reality its benefits were largely limited to Cardiff. In local political terms, elites within local government and the Welsh Office were largely united in their support for redevelopment, with the hope of cementing Cardiff’s status as the leading city in Wales. Crucially, support from the Welsh Office ensured that the development proceeded. This was especially apparent in its early years, with the CBDC chairman stating of Peter Walker, secretary of state between 1987 and
1990 that ‘I don’t recall…ever having a disagreement with him or a disappointment’, 87 while David Hunt, in post between 1990 and 1993, said that the ‘barrage will unlock the vast potential of the area’. 88 John Redwood, in office between 1993 and 1995, was far more sceptical, but by this time momentum was too advanced for funding to be affected although he set a date for the wind-up of the Development Corporation. 89 Overall, the authority and influence of the secretary of state meant that he could facilitate the investment as a type of Welsh ‘grand projet’, irresistible to politicians seeking to leave their mark, with Rhodri Morgan wryly claiming that a property advisor ‘took Nicholas Edwards up on to the top of Penarth…the highest point in the area with a view clear right up to the Severn Bridge. And, almost in a kind of biblical sort of sense she says an “all this could be yours” sort of thing’. 90 Once politicians and government organizations had committed to such a project, any retreat would carry with it great risks to prestige.

Concluding

As an area once dominated by the resource-based industries of iron and coal that had powered the industrial development of south Wales, Cardiff’s docklands and adjacent areas were heavily hit by their decline. However, a range of local and national circumstances combined to facilitate a scheme that entirely remade south Cardiff’s physical appearance and economic base. The scale of ambition, expenditure and achievement demonstrates that central government’s commitments to market forces and reduced levels of intervention could be flexible in their application, especially where powerful local elites were able to unite in pursuit of a shared vision through overcoming local opposition and exploiting the UK's governance structures. The redevelopment highlights the critical importance of such elites, even during an era of political centralization. In particular, dynamics within these elites as well as the existence of territorial governance structures enabled the Welsh Office’s approach to the governance of urban regeneration to be significantly different from that of central government, even if the methods of physical regeneration were similar. As a result, UK governments’ approaches to UDCs were diluted in Cardiff through the incorporation of locally elected representatives, with local authorities represented on the Development Corporation’s board and retaining planning powers. Cardiff Bay also illustrates how the focus of urban economic development changed from the attraction of manufacturing towards facilitating investment from the service sector, a trend in place since the 1970s but accelerated by further deindustrialization in the subsequent decade.
However, despite some success, the CBDC was unable to meet all of its overambitious targets, the local economy remained heavily dependent on public sector activity, while existing residents often saw little benefit. At the same time, such relative success was the exception, not the rule. Even in Wales, where the Welsh Office was able to deploy interventionist instruments of a type and volume not always available in England, the level of intervention in south Cardiff could not be repeated within other urban centres. While south Cardiff was successfully reinvented by the CBDC and other state actors, the development's greatest legacy might be somewhat ironic, in that the politically devolved Welsh government has been noticeably reluctant to undertake large infrastructure projects, perhaps mindful of the sheer difficulty encountered during the redevelopment of the area surrounding its Senedd building.

Table 1: Performance against CDBC targets, 2000 and 2004.


<table>
<thead>
<tr>
<th>Year</th>
<th>Private sector investment (£bn)</th>
<th>Jobs created</th>
<th>Non-residential development (million sq. m.)</th>
<th>Housing units</th>
<th>Land reclaimed (hectares)</th>
</tr>
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<tbody>
<tr>
<td>2000</td>
<td>1.07 (89)</td>
<td>13,270 (46)</td>
<td>0.5 (46)</td>
<td>3,130 (52)</td>
<td>314 (69)</td>
</tr>
<tr>
<td>2004</td>
<td>1.12 (93)</td>
<td>17,478 (60)</td>
<td>0.7 (61)</td>
<td>4,772 (81)</td>
<td>513 (112)</td>
</tr>
</tbody>
</table>

Achieved (% of 1988 target)


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58 GRO, D350/26, Canton residents against the barrage, minutes, 5 Jun. 1989.


60 GRO, D350/26, Canton residents against the barrage, minutes, 8 Jul. 1989.

61 Unger, *Cardiff*, 121.


63 Best, *A Whim Set in Concrete*, 256.

64 *Western Mail (WM)*, 18 Apr. 1991.


68 Best, *A Whim Set in Concrete*, 199.


70 Punter, ‘Cardiff Bay’, 153.

71 GRO, D/D CBDC box 91/92, CBDC Corporate Plan No. 5, 1995–98, 120


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