



GVA

Evolving Cities

The changing face of Cardiff

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Evolving cities

The UK's cities are undergoing a renaissance. Large scale place making schemes are dramatically improving how they are perceived, making them more desirable places to live and work, and better able to attract new people and businesses.

The Changing Face of Cardiff is one of our series of reports looking at how the UK's key cities are evolving and the transformational change that is occurring, either in terms of the scale of regeneration activity or a shift in perception.

For each city, we identify the key locations where such change has occurred over the last 10 years, and the major developments that continue to deliver it. We then explore the key large scale regeneration opportunities going forward.



Cardiff today

Cardiff is the capital and focal point of Wales. Historically the city flourished, becoming the world's biggest coal exporting port. Following a decline in the 1970s and 1980s Cardiff moved towards a service orientated economy. Now finance & professional services, creative industries and the public sector have become dominant employers in the city.

Cardiff's city status and wealth was primarily accrued from its coal exporting industry, which led to the opening of the West Bute Dock and transformed Cardiff's landscape. Cardiff's docks reached their peak in 1913, when over 10 million tonnes of coal was exported. During the 20th century Cardiff's port declined drastically, and by the late 1970's the closure of East Moors steelworks symbolised the decline of the industrial sector.

The 1990s saw the regeneration of Cardiff's docks and city centre to support tourism and inward investment. The Cardiff Bay Development Corporation governed the regeneration of 2,700 acres in the docklands. This largely successful waterside development became home to the National Assembly for Wales.

The city has become a popular tourist location which has been underpinned by major investments in leisure, sports and cultural venues. The construction of Mermaid Quay in the 2000s established Cardiff Bay as a leisure and retail quarter, offering water taxi services into the city centre and across the Cardiff Bay Barrage to Penarth. On the sporting front, the development of Millennium Stadium in readiness for the 1999 Rugby World Cup further enriched the city's position as a global tourist destination. More recently in June 2017, Cardiff hosted the Champions League final which attracted in excess of 200,000 visitors to the city.

Today the city continues to attract businesses and the unemployment rate has fallen to 4.8%, the lowest level in over a decade. Cardiff is a fast growing economy and its population is increasing at over 1% per annum, exceeding the UK average.

The city's transport links are undergoing significant improvement. At Cardiff Central Station, Network Rail has recently added a new platform, facilities and a modern entrance to the south side with further major redevelopment plans in the pipeline to create a modern day transportation hub. The Great Western electrification scheme will provide an eco-friendlier and faster rail service and connect Cardiff to London in under two hours by December 2018. The delivery of the new bus interchange at Central Square and plans to improve the metro transport system will support connectivity and efficiency within Cardiff, with the further potential for extension into the valleys around the South Wales region in the future.

The developments at Cardiff Central station align well with the on-going regeneration of key enterprise zones in the immediate vicinity. Cardiff's goal to become a leading

international location for businesses is supported by the city's ability to offer high quality office stock within Central Square, Callaghan Square and Capital Quarter. Key occupiers are increasingly choosing Cardiff as their headquarters. These include BBC Wales and Admiral Insurance.

St David's is an exemplar shopping centre originally opened in 1981 and the 2009 St David's 2 redevelopment transformed it into one of the largest shopping centres in the UK. Anchored by John Lewis, it has helped Cardiff become a leading retail destination.

Key future regeneration schemes including Central Quay and Dumballs Road will continue to strengthen Cardiff's image as they transform the wider city centre landscape and support Cardiff's ambition to become a prime European destination for business and tourism.

Changing places

Cardiff has a pipeline of ambitious projects over the next 10 years which will continue to shape the city's success.

It is one of the fastest growing cities in the UK and has the strongest projected population growth in Wales over the next five years. To ensure growth is sustained the city needs to invest in infrastructure, particularly homes and transport, to overcome the growing pressures.

The following pages detail the key regeneration schemes from the last decade that have been the most significant in transforming Cardiff, and the schemes to be delivered in the next 10 years that will enable further growth and success. The developments included are St David's 2, Callaghan Square, Capital Quarter, Porth Teigr, Central Square, Cardiff International Sports Village, Central Quay, Dumballs Road, Cardiff Arms Park and Westgate Plaza scheme.

Longer-term opportunities

We have also identified a number of additional sites we believe are worth observing for their longer-term potential. The first site is Motorpoint Arena located opposite St David's 2 where a long term commercial development is possible. The current 7,500 seat arena is likely to become underused following the potential redevelopment of Arms Park stadium, discussed later in this report.

MA Rapport owns two sites, one on Adam Street and another on David Street. The business previously had plans for the development of their David Street site and National Car Parks continue occupying the Adam Street site. However, both sites offer longer term potential for commercial opportunities, most likely for grade A offices.

The current HMRC office is located at Ty Glas, Llanishen, outside the city centre. However, the confirmed relocation of HMRC into Cardiff Central Square provides an opportunity to provide a major mixed-use development which will have a significant impact on Cardiff.



2007 – 2027

1
St David's 2



2
Callaghan Square



3
Capital Quarter



4
Porth Teigr



5
Central Square



6
Cardiff International Sports Village



7
Central Quay



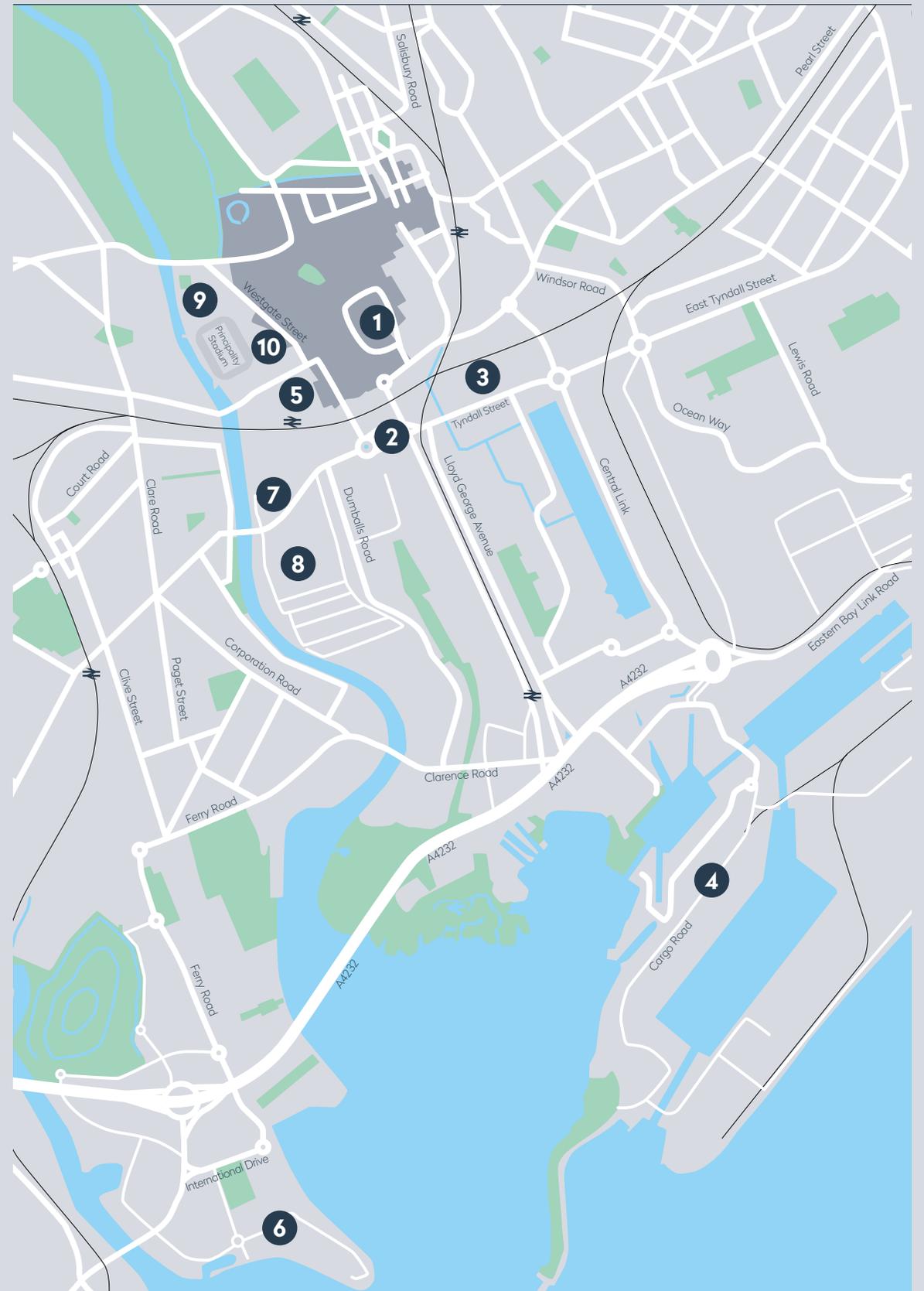
8
Dumballs Road



9
Cardiff Arms Park



10
Westgate Plaza scheme



St David's 2

St David's 2 was the most significant development in Cardiff for decades and has helped the city become one of the UK's top retail destinations.

The development completed in 2009 and extended the original centre by nearly one million sq ft through demolishing an older shopping arcade with upper floor offices together with an adjacent car park, library and a Toys R Us retail outlet amongst other smaller retail units.

St David's was a £675 million project delivered by St David's Partnership, a joint venture between Land Securities and Intu. The scheme was split into a two phase project, where St David's 1 focussed on the refurbishment of the original shopping centre whilst St David's 2 involved the demolition of several sites to extend the shopping centre and improve the surrounding public realm.

The development created over 80 new stores plus 3,000 car park spaces and attracted some notable new occupiers to the city, including Hugo Boss, All Saints, TM Lewis and Cath Kidston. The scheme was anchored by John Lewis, the retailer's first store in Wales and at the time their largest store outside of London. In 2015 H&M opened a 46,000 sq ft flagship store in the development, its largest store in the UK at the time.

The shopping centre also boasts two 18-hole mini golf courses on the roof plus 304 luxury residential apartments, surrounded by landscaped rooftop gardens.

The scale of the development and major improvements to the public realm and public art around St David's have been fundamental to the growth of the surrounding area. Mill Lane in particular has been transformed by the creation of St David's 2 which generated demand for the food quarter and now houses a large number of leading occupiers including Cote, Bills, Las Iguanas and Ask Italian. St David's also led to the development of Admiral Insurance's HQ building of 240,000 sq ft directly behind, which has been awarded BREEAM Excellent.

The regeneration of St David's has transformed the southern end of the city centre and rejuvenated a previously underused area whilst also vastly improving the city's retail offer by bringing in brands and stores who previously would not have considered Cardiff. Its catchment population reaches 1.3 million and since it opened the number of visitors to Cardiff city centre increased by one third, with in excess of 4,000 jobs created.



Callaghan Square

Callaghan Square is at the heart of Central Cardiff Enterprise Zone and was one of the first office-focussed regeneration schemes developed in the city. This is a fairly mature scheme, however it has been pivotal in shaping Cardiff's office market and attracting international businesses.

A joint venture between MEPC and Rightacres brought about the development of Callaghan Square which pushed the traditional office core south and away from the Newport Road area. The office landscape in Cardiff was transformed by its five grade A office buildings totalling around 305,000 sq ft.

In 1998 Nicholas Hare Architects secured the contract to create the masterplan for the sites surrounding the square. Callaghan Square was formerly called Bute Square but was renamed in 2002 in honour of the former Prime Minister, James Callaghan. The regeneration was split across two phases; the first phase saw the development of One Callaghan Square which completed in 2002; and the second phase involved three buildings totalling 164,000 sq ft.

The majority of the development completed by 2008 and became Cardiff's premier business location.

It was fundamental in supporting the service sector and providing high quality office accommodation within the city centre. Occupiers established at Callaghan Square include Eversheds, Aecom, Allied Irish, HSBC, Hays and British Transport Police.

The development is situated adjacent to Cardiff Central railway station and is in close proximity to the St David's 2 shopping development. It also created a much improved link to Cardiff Bay.

A single site of circa five acres on the south side of Callaghan Square remains undeveloped and is now in public ownership with the Welsh Government, who acquired it in 2013 from MEPC. The site comes with planning permission for 500,000 sq ft of commercial floorspace and given the strong demand for offices the most likely development will be further grade A offices.



Capital Quarter

Capital Quarter is a significant mixed use redevelopment of a former brownfield site located in the heart of the Cardiff Central Enterprise Zone. The opening of the Smart Bridge linking the site with the city centre has been the catalyst for development and has drawn the office core out from the traditional centre.

The developer JR Smart has a rich history of completing speculative office and industrial schemes across Cardiff. The outline plan for Capital Quarter proposed over one million sq ft of development to include offices, hotels, student housing and education uses.

Capital Quarter was formerly a multi-tenanted light industrial and warehousing estate housing SME businesses prior to the development of more established business parks on locations further outside the city. The development of Capital Quarter commenced over seven years ago and is now more than 50% complete.

165,000 sq ft of office space has been added across Number 1 and Number 2 Capital Quarter, with the former now fully occupied and the latter 80% occupied. The Welsh Government acquired Number 1 Capital Quarter from JR Smart in 2013 to stimulate the market during the poorer economic conditions and has recently sold it on to a private investment fund. Number 2 Capital Quarter now houses Public Health Wales and Opus Energy.

The Capital Quarter student accommodation is now complete and comprises a total of 544 beds and the first students have taken occupation in September 2017.

The development supports the expansion of the city office core to the south and towards Cardiff Bay as a result of growing demand and a lack of suitable land available more centrally.

The installation of the £2.5 million footbridge in 2014, named Smart Bridge has been central to the regeneration of Capital Quarter and significantly improved the link into the city centre. The bridge runs across the main railway line and provides a welcome access for both pedestrians and cyclists to the city centre and opens up the area in and around Tyndall Street.

It has also been fundamental in establishing the area as a prime office location, enabling it to compete with Callaghan Square and other city centre grade A office locations. In 2015 Smart Bridge won the prestigious award from The Institution of Civil Engineers (ICE) Wales for its excellent concept and design.

Construction of Number 3 Capital Quarter is under way and is expected to complete in March next year whilst the construction of Number 4 is likely to commence over the next 18 months. Proposals also include a hotel and there is scope for further development as JR Smart recently bought additional land from Cardiff Council extending Capital Quarter onto John Street.

Capital Quarter also has a multi-storey car park which is nearing completion and improvements have been made to the adjacent Tyndall Street which includes the city centre ring road and provides good links to bus services.



Porth Teigr

Porth Teigr is one of Europe's most significant waterfront regeneration schemes and is located within Cardiff Bay.

The mixed-use redevelopment of the former brownfield site is a joint venture between Igloo Regeneration and the Welsh government, and commenced in 2005. The masterplan integrates creative, office, retail, hotel, leisure and residential units and spans across 38 acres. This development is central to the regeneration of the Cardiff Bay area and provides an important link between Roath Basin and the Mermaid Quay leisure scheme.

Cardiff is building its reputation as a creative industries hub and key developments completed at Porth Teigr have raised its profile. One example is the BBC's Roath Lock studios, a drama facility of 170,000 sq ft where filming commenced in 2011, marking one of the largest investments of its kind in Europe. It has brought a wealth of opportunities and jobs to Cardiff and is home to some of the BBC's leading programmes including Doctor Who and Casualty. The building achieved the highest BREEAM rating (BREEAM Outstanding) led by the sustainable development specialist, Igloo.

Located opposite Roath Lock studios is Glowworks, a new creative industries centre. Completed in autumn 2014, this was the first building at Porth Teigr to offer both office and retail space. It was primarily designed to attract media and cultural occupiers offering close proximity to the BBC drama studios. The facility provides opportunities for small, high-growth creative businesses and one of its most notable tenants is Boom Pictures, a leading UK television production company.

Planning for 104 homes was recently approved, which marked the first phase of residential development at Porth Teigr. Dwellings will be a combination of houses and apartments and will range from two to five bedrooms. These will be connected by open spaces, and major improvements will be made to the public realm. Further phases are planned to meet the high residential demand which could see the development of approximately 1,000 units.



Central Square

Central Square is an on-going regeneration scheme which has become the gateway to Cardiff. The scheme will provide office space together with ground floor retail space and a new bus interchange designed by Foster & Partners.

The vision to regenerate Central Square commenced in 2013 following the acquisition of the Planning Department offices by Rightacres. A larger regeneration opportunity soon became apparent and Cardiff Council supported Rightacres to revitalise the wider area.

Central Square is a strategically important site adjacent to Cardiff Central railway station and Principality Stadium. The masterplan incorporates a large open space at the exit of the Cardiff Central railway station, providing a positive impression to visitors and residents alike. The five-phase development will bring circa one million sq ft of new commercial and residential space and revive the area to the north of the rail station into a thriving business district.

Legal & General has underpinned the development through £400 million worth of funding, which will add office, residential and retail space plus improvements to the public realm. Pedestrianisation of Wood Street, Marland Street and the Millennium Walkway, will be carefully designed to support the public flow to the stadium and provide safe and convenient walking and cycle routes.

The first phase, One Central Square was delivered in March 2016 which added 135,000 sq ft of office space and achieved a BREEAM Excellent rating. The building is fully let with occupiers including RBS, Julian Hodge Bank and Morgan Cole. Rental levels on completion are rumoured to be in excess of £24 psf, setting a new record for grade A rents in Cardiff city centre.

Construction of Two Central Square is well underway and is now fully pre-let to Hugh James and Cardiff University, with completion expected in September

2018. Three Central Square is at the heart of the regeneration scheme, and is to be the home of the new BBC Wales headquarters. Designed by Foster and Partners the 180,000 sq ft building is expected to be handed over to the BBC in May 2018 for fit-out and will be fully occupied in 2019.

The next phase of the Central Square regeneration includes the Cardiff interchange on the former Marland House and multi-storey car park site. The proposal includes the replacement of the bus station which will move closer to Cardiff Central railway station, improving links to other transport networks. The interchange will host retail on the ground floor and offices and residential units on the upper floors.

Two further office buildings are proposed at Five and Six Central Square of 270,000 sq ft and 150,000 sq ft respectively, subject to planning. St David's House at the top end of Central Square will need to be demolished to facilitate these developments.

The latest positive news comes from the UK government signing a 25-year lease for 265,976 sq ft at Central Square, which developers claim is the largest office deal ever secured in Wales. The office forms part of the Government Hubs programme and will accommodate over 4,000 employees across several government departments. HMRC will be the largest department to occupy the building, which is expected to complete by 2020.

The Central Square regeneration will create up to 10,000 jobs and has provision for PRS and a hotel is also being considered. However this is subject to demand and may alter as the masterplan develops.



Cardiff International Sports Village

The regeneration at the Cardiff International Sports Village is strictly speaking outside the city centre area covered by this report but it is one of the larger regeneration projects in Wales and of significant importance to Cardiff as a location.

This regeneration of former brownfield land is one of the most exciting on-going schemes, which has already brought several state-of-the-art sports facilities to Cardiff Bay. The overall development will provide a range of leisure, retail, residential and employment opportunities.

Cardiff International Pool was the first facility to open at the village in 2008. The public-private funded project was a partnership between Cardiff Council, Orion Land & Leisure, Explore Investments and Parkwood Leisure. The venue offers a 50 metre Olympic size pool seating 1,000 spectators, an indoor waterpark, a 25 metre warm up pool and recent additions include a climbing wall and indoor surf machine.

The Cardiff International White Water Centre opened in 2010. This £13.3 million Olympic-standard facility offers on-demand white water rafting, canoeing and a flat-water pond for warm-up and initial training. The latest addition to the village is the Ice Arena Wales, home to the Cardiff Devils ice hockey team.

The £16 million rink opened in March 2016 and boasts two ice pads for recreational and professional use and has seating for over 3,000 spectators.

Upon completion, the village could have an indoor snow centre for skiing and snowboarding and a hotel is proposed on the nearby former marina site. The £5 million footbridge constructed at the lower end of Penarth provides a crucial link for pedestrians and cyclists between the International Sports Village and the town of Penarth and provides a circular route running around the Cardiff Bay barrage and linking back to Mermaid Quay area.

Cardiff Pointe sits alongside the sports village and is a residential development. Phase 1 completed in 2016 which added 98 houses overlooking the Bay. Phase 2 is scheduled to complete in 2018 and will add a further 120 homes. Future phases could add up to a further 800 homes, which could see the development of residential towers.



Central Quay

Central Quay is an ambitious mixed-use regeneration at the River Taff waterfront and will be the largest commercial property regeneration scheme seen in Wales in conjunction with Central Square.

The development covers 16 acres, mainly being the existing SA Brain & Company Brewery site but also extends into a nearby BMW dealership site owned by Vastint and a car park area owned by Network Rail.

A joint venture between the regional brewer SA Brain & Company and Rightacres, the prominent local developer behind Central Square will deliver this three million sq ft development opportunity which is expected to feature a mix of offices, residential, hotels and leisure, making use of its riverside location.

SA Brain & Company has proposed to relocate its brewery and headquarters on Crawshay Street which could take up to two years. However, proposals include retaining the iconic Brains Brewery building and chimney stack in order to preserve the site's brewing heritage and strong prominence and profile adjacent to Cardiff Central railway station. The historic backdrop will be a focal point of the scheme and form a fascinating contrast to

the surrounding modern buildings. There is potential to make use of the riverside frontage offering access for water taxis and small private yachts on the River Taff to enable the city centre to connect to the Cardiff Bay.

The regeneration site is located south of the Cardiff Central station and is just on the edge of the traditional city centre. It will complement Network Rail's masterplan to rejuvenate the metro system and the station. Having a station close to the development will help unlock the growth potential to the south of the city centre and provide a key improvement in the link between the city centre and the proposed redevelopment around Dumballs Road.

The development is in its early stages with no direct submissions yet made, but further progress is expected before the end of 2017. The scale of the project is vast and larger than the existing Central Square regeneration, therefore offering the potential to create thousands of new jobs.



Dumballs Road

Dumballs Road is strategically located between the city centre and Cardiff Bay. This long-awaited regeneration scheme will link the two areas with a mixed-use city quarter.

Dumballs Road is one of the last large scale development areas in need of regeneration in the centre of Cardiff. Attempts to redevelop the area date back 30 years, but have stalled for multiple reasons. In a drive to push the scheme forward, Cardiff Council will contribute in the region of £15 million and act as a development partner to the lead developer Vastint, the development arm of IKEA. Given the scale, Vastint has suggested the scheme could take a decade to deliver.

The regeneration will span a total of approximately 33 acres and was approved by Cardiff Council in an outline format in December 2016. It is located to the south of the city centre and is less than a quarter of a mile outside the core of the city. The area comprises ageing industrial stock which has gradually been the subject of redevelopment although on a sporadic basis.

The strategic brownfield site will provide a mix of private and affordable homes, and planning permission has been granted for 2,000 homes of which 12.5% are proposed to be affordable. Precise plans are yet to be confirmed, however the commercial element is likely to include a significant amount of further grade A office accommodation and a retail & leisure element. Local facilities and schools are likely to come under pressure from a rising population and could be added to the development plans.

The regeneration will change the landscape of the southern part of Cardiff and provide an important improvement to the current poor link between the city centre and the Bay, improving the image of Cardiff as a global location.



Cardiff Arms Park

Cardiff Arms Park is located in the heart of the city centre and is one of the most famous grounds in Welsh rugby history. Discussions between the ground owner, Cardiff Athletic Club (CAC) and Cardiff Blues rugby club have the potential to lead to the regeneration of the stadium and nearby sites bringing commercial developments around it, including residential and office schemes.

Cricket was the first sport to be played at the ground, however it later became a rugby ground and is now home to the Cardiff Blues rugby team. A series of redevelopments of the stadium have taken place across the 20th century to cope with the growing crowds.

The proposed development on this seven-acre site includes a state of the art 15-20,000 seater stadium, complete with a sliding roof and retractable pitch, a concert venue, exhibition centre, hotel, apartments and multi-storey car park.

Restaurants, bars and coffee shops are also planned along the waterfront that could be opened up alongside the River Taff. However, the concept is in early stages of inception with no plans submitted yet.

The Cardiff Blues have a lease in place until 2022 and have the intention to enter a new 150-year long leasehold with the rights to redevelop. They are also in discussions with Welsh Rugby Union and Cardiff Council over their involvement in the scheme.

Detailed proposals have been drawn up with the primary goal of generating revenue which could enable the Cardiff Blues to become one of the top-tier European clubs.

The deal is expected to see the Cardiff Blues make a large one-off payment to the ground owner, CAC and an overage provision for office or residential developments.

This would therefore give the landlord a percentage of any profits generated from this development. However, the development can only go ahead with the landlord's agreement.



Westgate Plaza scheme

The Welsh Rugby Union (WRU) has outlined plans to regenerate the main stadium access at Westgate Street. This area includes historic and listed buildings such as the former Post Office, the Civil Courts and the Cardiff and County Club.

The scheme is in the early stages, however the vision is to rejuvenate the Westgate Street entrance of the Principality Stadium. The chief executive of WRU, Roger Lewis first considered the redevelopment in 2007 although it was placed on hold at the time in light of the weak economic climate.

Following the extensive work around Cardiff Central station and the Central Square regeneration scheme there is now scope for development plans to be put back in motion. Any potential transformation is aimed to vastly benefit not only stadium users but also the local community.

WRU plans include circa 240,000 sq ft of commercial development which would include offices, a hotel and a new walkway from Quay Street into the Millennium Stadium. Alan Francis, co-founder of the Gaunt Francis architectural firm is the original lead designer of the scheme which remains subject to planning permission.

Located within the government's Central Cardiff Enterprise Zone, the project is in a prime location to target grade A office occupiers including financial and professional services companies.

The development will potentially include a five-storey 40,000 sq ft grade A office with a restaurant on the ground floor. The office would adjoin a further 200,000 sq ft curved development through an 'L' shaped design. The project is expected to take between 12 to 18 months once planning permission has been granted.

Although plans are not confirmed there is an opportunity to work with the Cardiff Blues and the Welsh government to incorporate WRU's land to create a masterplan in addition to the Arms Park site mentioned previously. This would lead to a significant regeneration project for the city centre as a whole.



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