

SOUTH CARDIFF URBAN RENEWAL

The proposal for a UDC in Cardiff was raised in July at your meeting on 21st July when you said Wales should not receive any more money and Mark Robinson stated that the money for the UDC would be found from their own resources. We put in a small brief to you on 7 November (Appendix 1). Now:

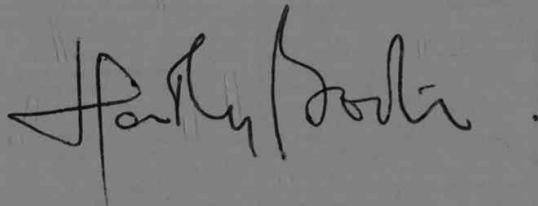
1. Nicholas Edwards wants to announce a UDC on 5 December. He does not directly commit the Government to fund the Cardiff barrage but it is unclear how it will be funded. Welsh Office officials say the project would cost about £50m and a substantial (but unquantified) part could be privately funded.
2. John MacGregor complains that Wales has not provided sufficient details and argued his case adequately. Welsh Office are completely taken by surprise by this. They describe his view as an 'exocet' and feel their research by Jones Lang Wootten was enough.
3. John Biffen warns that conservationists may complain. But the Green Lobby should on balance be pleased by this proposal.
4. Nicholas Ridley and Paul Channon support the proposal.
5. Richard Luce supports the proposal for another Quango but asks if anything else could do the job better. The contenders are the Welsh Development Authority and the Local Authorities. In the case of the former: the Cardiff Docks scheme is too big

for it. In the case of the second all three local authorities want a UDC.

Conclusion

This is an unusual application for a UDC. There is no failure by a local authority. Instead South Glamorgan Council, Cardiff City Council, and the Vale of Glamorgan Council feel their powers are inadequate! The new corporation would also bring together the Welsh Water Authority and the British Ports Authority.

The strength of the case in principle was demonstrated to us on a recent visit and appears in Nicholas Edwards' draft statement. However the financial details needed by Treasury must be forthcoming even if Wales keeps to its word to fund the project from its own resources.



HARTLEY BOOTH