

ANNEX 5

PAGES 35 – 37 OF NWDA'S SUBMISSION TO ODPM AND DTI OF NOVEMBER 2004

- **Increased higher quality, permanent employment and reduced unemployment** – the URC will result in the creation of net additional employment that is of a higher quality and less seasonal than that which currently exists in the town. Through appropriate complementary initiatives by, for example, the LSC and Job CentrePlus local disadvantaged individuals will be supported to access these jobs and thus reduce unemployment.
- **Increased regional and international competitiveness** – unlike the majority of regeneration projects, the Blackpool URC as a result of the cluster of casinos has the potential to increase the international competitiveness of the UK and to attract visitors and expenditure that would not otherwise have occurred. It will add substantially to the North West Economy.
- **Strengthened economic base** – at present the economic base of Blackpool is extremely fragile. The attraction of a cluster of casinos will strengthen the economy and attract new visitors to the town, many of whom will spend outside of the casinos themselves. It will also increase the confidence of investors and attract further private sector investment.
- **Social inclusion** – the URC will generate significant economic opportunities and working with partners such as the LSC will ensure that disadvantaged individuals are able to access them. In addition, many of the neighbourhood improvement projects will also directly promote social inclusion.
- **Environment** – a high quality environment is a key component of the vision for Blackpool. This will involve for example, significantly enhancing the beach and promenade, as well as the current NWDA funded projects underway at key gateways.
- **Health** – the URC will deliver a number of health benefits. As well as tackling the issues of multiple deprivation and reducing unemployment, which are linked to health problems, the URC will be implementing a Health Village project within the Tab residential neighbourhood.
- **Community safety/crime reduction** – a key element in the design and implementation of projects will be community safety and crime reduction.
- **Image** – the URC will be seeking to substantially improve the image of Blackpool.
- **Community benefits** – the development of the URC masterplan will result in significant additional community benefits both through the development of business and employment opportunities, and through the community activities that will be provided. The community benefits are difficult to forecast at this stage and will be assessed through the monitoring and evaluation arrangements.

Blackpool URC without casinos

4.41 The need to create a URC for Blackpool would still exist if the town were not successful in securing a destination casino. Blackpool suffers from high levels of deprivation, which are particularly acute within the URC area itself. The resort's economy has been in decline since the 1980s and the level of leakage of retail expenditure is very high. There are a number of significant opportunities that would not be fully realised without a URC, including

- there is a strong interest from **retailers** (both food and non-food) in investing in the town centre. Proposals to extend the Hounds Hill Shopping Centre are already well advanced. However, public sector investment and facilitation will be needed to



systems, slot machines and electronic surveillance technologies. Research⁸ has estimated that 10% of jobs created will be at this higher level for skills. This will create a national shortage of higher level skills. A major project within the Masterplan is to create a Higher Education Institute / University in the centre of Blackpool adjacent to the URC area on the Palatine Road campus of Blackpool and the Fylde College in association with Lancaster University. A study by KPMG, funded by the Learning and Skills Council Lancashire, confirms the viability of the market for an enhanced HE campus tied to a distinctive focus on skills development and programmes needed to sustain local regeneration and support a wider gaming industry.

- 4.38 The importance of fully realising the "once in a generation" opportunity presented by the destination casino has also been highlighted by the Shadow URC Board. At its first meeting significant emphasis was given to such issues and the Board has already requested that further work is undertaken on skills issues.

Benefits

- 4.39 As part of the current funding application to NWDA, a detailed assessment has been undertaken of the gross and net additional benefits that will be generated by the Blackpool URC. These have yet to be externally appraised, however Table 4.3 shows the significant outputs that will be generated by the URC programme.

	Total
Jobs created or safeguarded	26,669
Net additional jobs created	9,015
Brownfield land remediated	127 hectares
Private sector leverage in deprived areas (£)	£2,176 million
Businesses receiving advice	98,650
New floorspace created for business use	Retail - 98,650 sq m Casino - 32,500 sq m Leisure - 69,150 sq m Conference - 32,300 sq m Office - 155,300 sq m
New residential units created	1,200

- 4.40 The Blackpool URC will result in the following outcomes or impacts:

- **Urban renaissance** – a reversal of the spiral of decline that currently threatens to accelerate. At the end of the fifteen year period the vision is of a Blackpool that has fully 'reinvented' itself, with a strong economy, attractive environment and low levels of social problems. With the creation of revenue generating assets by the public sector (in particular, the ground rent from one of the casinos) reinvestment will continue to ensure that the renaissance is sustained.
- **Sustainable increase in economic activity (Gross Value Added)** – the net additional activity generated by the casinos and other improvements, including the town centre, will lead to a sustainable increase in net additional Gross Value Added.

⁸ Pion Economics (June 2003)

secure mixed retail, office and residential development in the Talbot area (Town Centre Zone A). Without such support, the substantial leakage of expenditure from Blackpool will continue. The town has been significantly under-performing in securing only 33% of local resident's retail purchases and virtually no expenditure from outside of the town.

- there would still be a need to invest in the *resort* in order to prevent further decline. Investment in the seafront, Central Corridor, Southern Gateway and the Tramway would help to create the environment for additional private sector investment. These and other public sector led schemes would be integrated and co-ordinated by the URC.

4.42 However, the resort would continue to lack a year round economy and such investments would not draw large numbers of new visitors to Blackpool. A "big ticket" attraction would be required to compete in the national and, potentially, international market place. In the absence of resort casinos, an option would be a major entertainment heritage centre, which would celebrate the role of Blackpool in leading the development of the tourism and entertainment industries in the UK. The Centre could bring together the rich legacy of film and sound recordings and written material and include an archive and visitor centre, along with commercial leisure opportunities. In addition, new investment would be required in conference facilities in order to maintain this important market.

4.43 The resort and residential *neighbourhoods* also require co-ordinated investment if they are to become sustainable. This will involve supporting the rationalisation and improvement of bed and breakfast and hotel accommodation, as well as the creation of high quality residential neighbourhoods. Again, the URC would be central to managing these neighbourhood improvements.

4.44 Blackpool URC, without casinos, would result in:

- **Development of existing attractions and investment in new attractions** – as a result of the proposed URC's activities, existing attractions would begin to reinvest and enhance their offer. New attractions would be developed, including the Entertainment Heritage Centre. This would contribute to improving Blackpool's tourism product.
- **More attractive conference destination** – a new conference centre would be developed in conjunction with efforts to increase the stock of higher quality delegate accommodation.
- **Improvement in the quality of the accommodation stock** – the quality of the stock of accommodation would improve through the resort neighbourhood investment programme. Establishments would be encouraged to merge and enhance their offer through training and business support. The number of premises would reduce more substantially than with destination casinos.
- **Visitor numbers** - would increase due to the improved visitor "offer" resulting from public and the private sector investments. As a result of the creation of the Entertainment Heritage Centre, along with the delivery of other new attractions, for example, at the Pleasure Beach, there is likely to be a revival of visitor numbers. However, the number of visitors would be very substantially less than if the destination casinos were developed.

Re:

- **Enhanced retail offer** – retail investors would be encouraged to develop in Blackpool. This would help to address the leakage of retail spend to other areas in Lancashire. However, the much smaller increase in visitor numbers would affect the demand for retail space and thus the ability to attract greater inward investment into the area.
 - **Increase in employment** – there would be an expansion of employment in the retail and tourism sectors. However, this would again be very much less than with the casinos.
 - **Improvement in educational attainment and skill levels** – higher-level skills in, amongst other things, the leisure and hospitality sector will still be required as part of addressing the low skills base in Blackpool. Low skill employees will be provided with training opportunities and there would be a continuation of business support and advice, through initiatives such as Tourism Support Bureau, Hoteliers into Training, Solaris environmental training project and the Carousel training hotel.
 - **Community and social benefits** - the URC promoted investments would be integrated with other initiatives to ensure that disadvantaged individuals and communities can access the opportunities created.
 - The establishment of a URC, even if Blackpool does not secure a destination Casino, is essential if the town is not to continue to decline at an increasing rate. Without intervention now, the spiral of decline will become even more difficult to reverse.
- 4.45 The URC would play a critical role in the regeneration of Blackpool even without destination casinos. It would:
- lead the main physical regeneration initiatives and key investment opportunities, including in the town centre, the resort core and the neighbourhoods;
 - influence and advise partners on policies and programmes;
 - co-ordinate development activity. For example, this would include development at Talbot North East, which would release land for the major Heritage Entertainment Centre;
 - prepare site specific strategies and development briefs and promote the area;
 - co-ordinate disposal and development strategies in order to achieve the maximum local benefit;
 - secure external resources from public sector programmes; and
 - lead and co-ordinate relevant development-related marketing activity.
- 4.46 The URC would build a new relationship with the private sector development industry. It would also work with partner organisations to ensure the benefits go to local people.

