

TEST OF SOCIAL IMPACT

Note from Professor Sir Peter Hall

Bartlett Professor of Planning and Regeneration, UCL

Chair, ReBlackpool URC

1. The question is whether, Blackpool, as against another of the six other shortlisted locations for the single Regional Casino, would provide the best test of its social impact, so as to demonstrate what might happen more widely if and when a second wave of regional casinos is licensed¹. But that would require that we know where, or at least in what kinds of places, these casinos might be. If in London, Greenwich could provide the best test; if in provincial core cities, any of the five candidates in those cities; if a resort, then Blackpool. The argument becomes circular and incapable of resolution.
2. There is a way forward: to imagine what kinds of places might be favoured by a reconvened CAP in 2013 or 2014, when time would have elapsed to gauge actual impacts, and then to ask which shortlisted location would best correspond demographically and socio-economically to those locations. The obvious starting point is that by then, it is likely that more than one regional casino will be under consideration. There will be obvious pressures to choose locations that are geographically balanced between different regions, while being capable of delivering significant regeneration benefits. It would be reasonable to assume that a future CAP would seek different locations across the country: in London, provincial core cities, smaller non-core cities and towns, and resorts.
3. Clearly, no 2006 shortlisted location could hope to mimic conditions in all these – even assuming that we could forecast such conditions in 2013/2014. The best we can do is to analyse recent data, particularly those that give indications about trends.

¹ Though this paper relates only to social impact test of a Regional Casino, it is noted that the impact of eight Small and eight Large Casinos at locations also to be identified by the Panel should also form part of the social impact assessment by DCMS.

4. In this paper, I do not seek to examine social impacts *per se*, because these are well explored for Blackpool through baselines established in the Lancaster University Social Impact Assessment and the IPSOS/MORI Gambling Behaviours and Prevalence Survey. Instead I seek to assemble systematic statistical data, under three main headings, about relevant tests for social impact in this specific locality:

- First, basic demographic data relating to age and household characteristics;
- Second, a range of variables measuring socio-economic deprivation;
- Third, and critically, key variables that might guide a reconvened CAP which, we could safely assume, would be centrally concerned with the social impacts that could be achieved through urban regeneration: *Regeneration Need* and (lack of) *Regeneration Achievement*. These concepts are explained in greater detail below.

5. *Tables 1-3* provide basic data for four kinds of location that would appear relevant in any such future location choice:

- *East London Boroughs*: these evidently include some of the most deprived Local Authorities in the country;
- *Core Cities*: these are as self-defined by the Core Cities group and officially recognised by the DCLG;
- *Northern Non-Core Cities*: these are generally smaller towns around the Core Cities that historically depended on a manufacturing base, now eroded;
- *Traditional Seaside Resorts*: these are nineteenth-century resorts that developed to cater for mass rail-based tourism about a century ago, and

have had different degrees of success in reorienting their economies to meet late twentieth-century changes in demand.

6. Because the analysis depends in part on the ODPM/DCLG *State of the English Cities* database, it has been necessary in some cases to eliminate individual places for which data are not available; critically, key data are missing for East London boroughs. Also, because these data are entirely missing for Wales and Scotland, data for Cardiff and Glasgow have had to be omitted from the analysis. This problem is discussed in more detail in paragraph 11 below.

Basic Demographic Variables (*Table 1*)

7. Before focusing on the key measures of Regeneration Need and Regeneration Achievement, it is helpful to ask how far these different kinds of city and town vary in terms of basic demographic variables, particularly age, household size and household composition.
8. It is immediately evident that the four types of urban area differ greatly not only from each other, but internally within each group. The *East London Boroughs* are the most homogenous, with a relatively young age profile (many young and few old people) reflecting recent in-migration and natural increase; relatively large numbers of single-person households and lone parents with dependent children; and exceptionally high proportions of Black and Minority Ethnic (BME) populations. The *Core Cities* display a somewhat less youthful profile, especially in some northern cities; fewer single people; varying numbers of lone parents with dependent children (high in Liverpool and Manchester, lower elsewhere); and considerable variations in BME populations (quite low in most northern Core Cities). The *Northern Non-Core Cities* show a similarly older age profile and lower proportions of non-nuclear households (singletons and lone parents); most have exceptionally low BME proportions except for some Lancashire and Yorkshire towns that formerly had strong textile industries. Finally the *Traditional Seaside Resorts* prove quite a heterogeneous group, with particularly large variations in proportions

Table 1: Basic Demographic Variables

LA NAME	0-15 %	75+ %	Single %	Separated /Divorced %	Widowed %	One Person Household %	Lone Parent + Dependent Children %	BME %
East London Boroughs								
Barking and Dagenham	23.4	7.3	33.6	11.7	9.2	30.8	10.4	14.8
Greenwich	21.8	6.5	39.3	12.8	7.9	36.6	10.5	28.9
Hackney	23.4	4.2	50.5	12.7	5.8	40.5	10.0	40.6
Haringey	20.6	4.3	49.2	11.0	5.3	35.9	9.8	34.4
Newham	26.2	4.8	41.4	11.2	6.5	34.0	11.9	60.6
Southwark	20.3	4.8	49.8	12.6	6.0	37.3	10.0	37.0
Tower Hamlets	22.9	4.0	47.7	9.8	6.1	38.9	7.1	48.6
Waltham Forest	21.5	5.7	41.5	10.5	6.8	33.1	9.5	34.5
<i>London</i>	<i>20.2</i>	<i>5.9</i>	<i>41.2</i>	<i>10.3</i>	<i>6.7</i>	<i>34.7</i>	<i>7.6</i>	<i>28.8</i>
Core Cities								
Newcastle upon Tyne	18.8	7.6	38.1	10.9	9.0	35.1	7.1	6.9
Leeds	20.0	7.3	34.1	10.6	8.2	31.6	7.0	8.2
Sheffield	19.1	8.0	33.6	9.7	9.0	31.6	6.2	8.8
Liverpool	20.1	6.7	41.7	11.5	9.0	36.9	11.5	5.7
Manchester	21.1	6.4	47.8	11.8	8.2	39.1	11.2	19.0
Birmingham	23.4	7.0	36.1	10.2	8.5	33.2	9.6	29.6
Nottingham	19.8	6.9	44.3	11.3	7.9	37.5	9.9	15.1
Bristol	19.1	7.6	40.2	10.6	7.7	33.3	7.4	8.2
Northern Non-Core Cities								
Sunderland	20.0	8.5	30.9	10.4	8.9	29.3	8.0	1.9
Middlesbrough	22.3	6.5	33.2	10.9	9.1	30.9	9.9	6.3
Barnsley	20.3	7.4	26.1	11.2	9.3	27.9	7.3	0.9
Doncaster	20.9	7.3	25.8	11.5	8.9	27.6	6.8	2.3
Bradford	23.4	6.8	28.9	11.0	8.5	28.8	7.4	22.7
Wakefield	20.6	7.1	26.1	11.7	8.8	28.3	6.6	2.3
Hull	21.4	7.0	34.2	12.7	8.9	33.7	8.9	2.3
Bolton	21.7	7.1	28.4	11.4	8.9	30.6	7.4	11.0
Rochdale	22.8	6.5	29.2	12.3	8.7	30.4	8.3	11.4
Wigan	20.5	6.4	27.6	10.6	8.5	27.7	6.7	1.3
Warrington	20.8	6.4	27.0	10.3	7.9	27.5	6.1	2.1
Burnley	22.8	7.3	27.6	12.7	9.2	29.9	8.7	8.2
Preston	20.9	8.7	33.6	10.5	8.1	31.3	7.5	14.5
Blackburn with Darwen	25.2	6.2	28.8	11.4	8.2	30.0	8.7	22.1
Traditional Seaside Resorts								
Blackpool	18.9	9.6	28.5	15.2	10.9	36.4	8.4	1.6
Bournemouth	16.7	11.5	33.8	12.3	9.7	35.3	5.9	3.3
Southend-on-Sea	20.0	10.2	29.0	12.8	10.1	35.2	6.9	4.2
Brighton and Hove	16.7	8.7	43.4	12.0	8.1	39.3	6.1	5.7
Hastings	21.1	9.4	29.8	15.0	9.6	36.5	8.0	3.0
Worthing	18.2	13.5	27.1	12.1	11.3	36.4	5.2	2.8

Source: Census of Population 2001, Key Statistics

of single people and one-person households; all however are similar to the majority Northern Non-Core places in their low proportions of BME populations.

9. It can therefore be seen that all areas have unique demographic characteristics; no 'typical' demographic profile can be discerned. We must assume therefore that demographically any area is as suitable as another; the suitability to test for social impact will not rely on demographic characteristics but on other factors. The monitoring programme however, will need to establish the range of groups to be tested both in the resident and visitor populations and to design the programme to accommodate any local variations in the target groups.

Measures of Deprivation (*Table 2*)

10. *Table 2* provides detail on key measures of socio-economic deprivation, in four main domains: *lack of mobility* (no car or van), *health* (general health not good), *employment and qualifications* (unemployment, no qualifications) and *housing* (no central heating, overcrowding). These display considerable variation, both between groups and within groups. The *East London Boroughs* are characterised by exceptionally low levels of car ownership, reflecting London's well-developed public transport and special problems of parking and congestion; surprisingly high rates of unemployment; and exceptionally high levels of overcrowding. The *Core Cities* display considerable within-group variation on several measures, particularly housing (lack of central heating), which may reflect vagaries of past local authority provision and also concentrations of student population in substandard housing; however, overcrowding generally is much less evident than in London. There appear to be some significant differences between a northern group of Core Cities (Newcastle, Leeds, Sheffield, Liverpool, Manchester) and a midland/southern group (Nottingham, Birmingham, Bristol): the former show higher levels of deprivation on key indices (car ownership, health, unemployment and qualifications); even here, however, there are variations, such as the relatively good performance of Leeds (which may reflect more generous boundaries that

incorporate affluent suburbs compared with tightly-bounded Manchester). *The Northern Non-Core Cities* show many affinities with the northern Core Cities, including quite high levels on some deprivation indices (higher for poor health and lack of qualifications, but lower for lack of a car); there are also significant within-group variations, especially for housing, where lack of central heating may reflect the age of the housing stock but also differences in past local authority provision. Finally the *Traditional Seaside Resorts* display the greatest within-group variation: Blackpool and Hastings appear as by far the most deprived, and Blackpool is akin in important respects (poor health, unemployment, lack of qualifications, poor housing) to the more deprived Northern Non-Core Cities and also to some of the core cities such as Birmingham or Sheffield, while southern resorts like Bournemouth and Brighton appear relatively affluent.

Table 2: Measures of Deprivation

	Households without car %	General Health "Not good" %	Unemployed %	No Qualifications %	Without Central Heating %	Over-crowding indicator %
East London Boroughs						
Barking and Dagenham	37.9	10.7	4.5	39.5	9.6	12.4
Greenwich	40.8	9.4	5.4	29.4	8.0	14.1
Hackney	56.0	10.7	6.9	29.0	9.6	27.6
Haringey	46.5	8.9	5.8	23.4	8.7	22.2
Newham	48.9	10.1	6.7	33.6	9.0	26.3
Southwark	51.9	8.7	6.2	24.4	7.0	25.3
Tower Hamlets	56.8	10.3	6.6	34.3	5.1	29.3
Waltham Forest	39.0	9.0	4.9	28.5	12.3	16.0
<i>London</i>	37.5	8.3	4.4	23.7	7.8	17.3
Core Cities						
Newcastle upon Tyne	45.2	11.8	4.7	32.6	4.2	7.8
Leeds	34.5	9.8	3.3	30.9	20.7	7.8
Sheffield	35.7	11.3	4.2	32.0	8.2	6.3
Liverpool	48.3	13.8	6.0	37.8	27.0	7.6
Manchester	47.8	12.5	5.0	34.0	9.0	11.2
Birmingham	38.5	10.9	5.7	37.1	20.5	9.6
Nottingham	44.9	11.0	5.3	33.9	6.9	9.0
Bristol	28.8	9.2	3.1	26.1	8.8	7.8
Northern Non-Core Cities						
Sunderland	39.9	12.9	4.8	36.9	2.6	5.7
Middlesbrough	41.0	11.7	6.2	36.8	7.0	5.9
Barnsley	32.2	14.1	3.9	41.1	3.5	3.9
Doncaster	30.7	12.0	4.2	38.1	6.3	3.9
Bradford	32.5	10.1	4.4	35.1	22.9	8.3

Wakefield	30.6	12.3	3.5	39.1	6.6	4.4
Hull	43.8	11.2	6.2	41.2	21.3	6.4
Bolton	30.3	11.0	3.5	33.3	13.6	6.0
Rochdale	33.5	11.2	3.9	36.1	8.0	7.0
Wigan	27.5	12.0	3.2	35.3	6.4	4.2
Warrington	20.9	9.1	2.9	26.9	9.4	4.3
Burnley	34.1	11.9	3.1	36.0	18.1	5.3
Preston	31.4	10.3	3.4	31.1	15.1	6.7
Blackburn with Darwen	33.5	11.1	4.1	37.2	14.7	6.8
Traditional Seaside Resorts						
Blackpool	37.3	13.9	4.2	37.8	19.2	7.3
Bournemouth	25.1	9.6	3.0	25.1	8.7	10.2
Southend-on-Sea	28.6	9.3	3.7	29.8	6.3	7.6
Brighton and Hove	36.5	9.0	3.6	22.1	10.8	12.7
Hastings	33.8	11.1	4.1	31.7	10.9	7.3
Worthing	26.0	9.2	2.1	25.2	7.6	7.1

Source: Census of Population 2001, Key statistics

Again we can conclude that socio-economic characteristics are variable both within and between groups, but all exhibit characteristics that can provide a test of social impact. As with demographics, this set of variables is not likely to be a determining factor in the choice of a location.

Regeneration Need and Regeneration Achievement (Table 3)

11. Against this background we now turn to the central analysis: of *Regeneration Need* and *Regeneration Achievement*:

- *Regeneration Need*: evidence of social deprivation arising from economic causes (loss of employment in basic industries; failure to compensate by developing “new sector” jobs), which a regional casino could help remedy;
- *Regeneration Achievement*: evidence of economic regeneration already occurring, which could potentially help reduce the resulting social deprivation without the need for external (exogenous) intervention. Essentially, what we need to analyse here is the *lack of* Regeneration Achievement: in other words, the failure so far of a city or town to find ways of meeting its Regeneration Need.

On these two key dimensions, a future CAP would logically conclude (as indeed might the present CAP) that *the optimal location would be one showing evidence of serious social deprivation, together with failure of the underlying economy to regenerate without some external impetus such as a regional casino could provide.*

12. Data can be assembled for both these dimensions:

- For *Regeneration Need* there are a great variety of social data available from the 2001 Census; some of these have already been presented in the analysis above, and have also been conveniently assembled in the *State of the English Cities* database developed for the DCLG's publication of the same name (ODPM 2006). However, the key deprivation indicators have already been synthesised in the widely-used *Indices of Multiple Deprivation* developed by ODPM/DCLG and last updated in 2004 (ODPM Undated, ?2004). The analysis below uses most of the Indices available from the IMD 2004 website in order to provide a composite picture:
- For *Regeneration Achievement* there are two sources: first, *Long-Term Trends in the English/Welsh Urban Hierarchy*, an analysis of shifts in the English and Welsh urban hierarchy by researchers at the Bartlett School of Planning at UCL (Hall et al 2001); second, the *State of the English Cities* database has some useful dynamic indices of changes in urban economies over the period 1995-2005. There are however some technical problems with this database, which make a health warning necessary. Unlike the IMD 2004 data, they do not refer to cities and towns as generally understood, but to Primary Urban Areas (PUAs) including neighbouring local authorities in some cases; while one critical measure (GVA per Full Time Equivalent worker) is available only for EUROSTAT NUTS 3 regions, which are much larger than Local Authority Areas and in some cases aggregate many such areas, making it impossible to distinguish between them. Finally, most of the *State of the English Cities* data

aggregate London as one unit, making it impossible to distinguish between individual boroughs.

13. Data on the key measures of Regeneration Need and Regeneration Achievement are set out in *Table 3*.
14. The *East London Boroughs* differ greatly on the Regeneration Need index. Two, Hackney and Tower Hamlets, are among the five most deprived Local Authorities in England. Three others – Newham, Haringey and Southwark – are respectively 11th, 13th and 17th most deprived English authorities overall. Three others, including Greenwich, fall between 41st and 47th ranks (out of 354 English District Local Authorities in total). Unfortunately, as explained earlier, data for Regeneration Achievement are not available for individual London Boroughs from the State of the English Cities database; only a single aggregate measure for Greater London is available.
15. The *Core Cities* display even greater variation. Three – Liverpool, Manchester and Nottingham – are among the seven most deprived Local Authorities in England overall. Birmingham stands at 15th rank and Newcastle at 20th place, but the two remaining Core Cities – Sheffield, Bristol and Leeds – are evidently much less deprived at 60th, 67th and 68th place respectively. What is however most notable about these cities is their relatively strong record on the Regeneration Achievement indices, particularly on Gross Value Added per FTE employee and (Birmingham and Manchester excepted) in unemployment reduction. Longer-term, most maintained their rank in the urban hierarchy over the 1965-1998 period; only two, Liverpool and Sheffield, dropped one place while one, Bristol, advanced one notch. This confirms the general impression of strong urban economic renaissance in these cities, led by their central business cores, in the last decade, symbolised by the “crane count” of physical regeneration which is so evident in them.
16. The *Northern Non-Core Cities* likewise display considerable variations – and might have displayed even more, if several had not been eliminated because of data aggregation problems. However, it is evident that nine out of fourteen

display high overall indices of Regeneration Need, with rankings between 9 and 40 out of 354, and that their Regeneration Achievement indices are lower than those of the Core Cities: most maintained their position in the Urban Hierarchy over 1965-1998 but three, Middlesbrough, Doncaster and Hull, lost a position, while two – Preston and Wakefield, both administrative county towns – gained one notch; all but two record GVA/FTE growth of less than 20% (though several, italicised, are aggregated); employment growth is also weak, and only on the reduction of unemployment do they show strong results, evidently because of high initial unemployment rates.

17. The *Traditional Seaside Resorts* display the biggest variations of all. Two, Blackpool and Hastings, emerge overall among the forty most deprived Local Authorities in England (Blackpool at 24, Hastings at 38); the others are not really deprived at all. Further, though Brighton gained two ranks in the Urban Hierarchy from 1965 to 1998, three towns - Blackpool, Bournemouth and Hastings - lost position, the last-named sinking two places. However, Bournemouth and Southend more recently display strong Regeneration Achievement scores. The unemployment reduction indices vary strikingly, with Blackpool and Worthing actually doubling their rates, in direct contradistinction to almost every other location in *Table 3*.

18. Overall, Blackpool's record on both Regeneration Need and Regeneration Achievement is strikingly poorer than any other town in this group, and is in fact among the poorest of all the locations in all four categories – comparable, in fact, to some of the poorer-performing Northern Non-Core Cities. Across the entire analysis of demographics, socio-economic characteristics and regeneration, it is on these critical criteria that the greatest and most significant differentials can be found. They strongly suggest that there is a large group of English towns, embracing many Non-Core Cities and some Traditional Seaside Resorts, that combine great Regeneration Need and low (so far) Regeneration Achievement, and hence have the greatest potential social impact from a new economic driver such as a Regional Casino could provide.

Table 2: Indices of Regeneration: Need and Achievement

LA NAME	Regeneration Need Indices (Deprivation)					Regeneration Achievement Indices			
	Rank of Average Score	Rank of Extent	Rank of Local Concentration	Rank of Income Scale	Rank of Employment Scale	Urban Hierarchy Rank Change 1965-1998	GVA/FTE % change 1995-2001	% Change in % Employment 1996-2003	% Change Unemployment % 1998-2002
East London Boroughs									
Barking and Dagenham	42	45	88	55	75		17.1		
Greenwich	41	41	73	36	54		23.2		
Hackney	5	1	47	9	26		23.2		
Haringey	13	10	46	17	32		17.1		
Newham	11	6	60	7	24		23.2		
Southwark	17	13	83	18	25		23.2		
Tower Hamlets	4	2	22	8	34		23.2		
Waltham Forest	47	59	91	37	57		17.1		
<i>London</i>						0		1.6	-8.9
Core Cities									
Newcastle upon Tyne	20	24	5	19	10	0	18.9	7.3	-26.5
Leeds	68	64	24	4	4	0	29.3	0.1	-12.8
Sheffield	60	51	30	6	5	-1	25.1	10.8	-38.3
Liverpool	1	5	2	2	2	-1	25.6	8.6	-32.5
Manchester	2	4	3	3	3	0	34.5	3.9	-9.1
Birmingham	15	14	15	1	1	0	34.7	1.5	-8.3
Nottingham	7	9	9	10	12	0	25.7	1.5	-40.4
Bristol	67	71	34	14	14	1	25.8	4.1	-32.5
Northern Non-Core Cities									
Sunderland	22	23	37	20	7	0	10.6	10.6	-25.1
Middlesbrough	10	11	4	53	53	-1	17.8	0.3	-12.3
Barnsley	28	28	40	45	20	0	13.7	4.4	-42.9
Doncaster	40	32	43	26	13	0	13.7	7.4	-32.2
Bradford	30	31	11	5	6	0	25.2	3.9	-20.3
Wakefield	54	56	61	29	11	-1	26.9	13.0	-31.9
Hull	9	12	6	16	19	-1	17.9	8.7	-39.3
Bolton	50	46	36	39	28	0	11.9	4.0	0.4
Rochdale	25	29	12	46	41	0	11.9	-2.6	5.0
Wigan	53	52	48	40	9	0	11.9	10.1	-6.1
Warrington	147	114	78	94	70	0	14.8	0.1	69.6
Burnley	37	40	21	122	112	0	18.4	9.6	-31.3
Preston	59	48	32	90	80	1	18.4	4.3	-5.1
Blackburn with Darwen	34	25	25	71	66	0	13.8	5.1	-22.7
Traditional Seaside Resorts									
Blackpool	24	35	10	73	59	-1	9.7	1.5	107.2
Bournemouth	95	101	103	91	81	-1	20.4	7.0	-21.3
Southend-on-Sea	114	111	97	79	89	0	20.4	4.9	-29.4
Brighton and Hove	83	87	74	50	43	2	5.8	7.7	8.1
Hastings	38	38	39	107	126	-2	0.6	3.6	-34.3
Worthing	198	181	181	204	214	0	13.9	10.4	94.4

Sources: ODPM undated ?2004; Hall et al 2001; ODPM 2006.

Conclusion

19. Evidently, there can be no single shortlisted town or city that could present a completely representative test of social impact. But statistical methods make it possible to generalise from individual characteristics associated with particular pilot study areas. On this basis, if the proposition is accepted that a reconvened Panel in 2013/14 would base its choice on a combination of Regeneration Need and (lack of) Regeneration Achievement, then Blackpool appears to offer a strong case. It is one of the most deprived places in England, and thus provides an excellent test bed for social impact; but in addition it has shown virtually no evidence of spontaneous capacity to regenerate, without some new exogenous trigger such as a Regional Casino would provide. It thus shows many affinities with the more deprived Northern Non-Core Cities (and, to a lesser degree, with some of the less spectacularly successful Core Cities), for the same underlying cause: it is suffering from the decline of its basic industry coupled with a failure so far to achieve a compensating growth in “new economy” advanced services, which have driven recent growth in London and (in varying degrees) the Core Cities. The proposition therefore is that a future Panel would need to have special regard to the position of such places, that in consequence many of them are likely to become future candidates for casino-led regeneration, and that in this respect Blackpool would provide the best test of potential social impact of a Regional Casino.

20. Finally, it cannot be an argument that (as Professor Griffiths has claimed) Blackpool’s population is so uniquely deprived that it would provide a bad test of social impact. For this would negate the entire presumed object of the exercise. Blackpool’s population is deprived, but not uniquely so: it belongs in a group of places, mainly medium-sized towns in the north of England, that show high levels of social deprivation and also lack of evidence, so far, of regeneration achievement that could help reduce that deprivation. The argument here is that it precisely this kind of place that should and will be considered, in future, for the kind of special regenerative boost that a Regional Casino could provide. To argue the opposite is quite simply to argue that

Blackpool, and other places like it, should be left to continued economic decline and eventual death. This is an argument unlikely to appeal seriously to any body, Casino Panel or otherwise, charged with serious consideration of regeneration policy in this country.

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