

ANNEX A: EiP Opening Statement: Glasgow City Council

Examination in Public, Glasgow 4 Sep 2006

Glasgow has been transformed. Its modern day renaissance, emerging from major industrial decline, has delivered a record number of jobs – and all across the city, new homes, schools, businesses and leisure facilities abound.

Public and private agencies, working in partnership, are committed to building upon this success, and ensuring that all citizens can benefit from it. A joint, shared public-private vision is being pursued by the city to deliver this, whether by working with local businesses to expand, encouraging development in all communities, or vigorously employing policies to help people into work.

A key element of change in Glasgow has been its pursuit of ‘high value’ projects. This strategy includes Glasgow and Scotland’s ambitious bid to host the 2014 Commonwealth Games.

A regional casino would play a significant role within this overall strategy. It would make a major and unique contribution to Glasgow’s ongoing social and economic regeneration. This statement emphasises that:

- A regional casino would be a key catalyst to delivering major regeneration in neighbourhoods along the River Clyde corridor – one of the key priority regeneration areas identified both locally, regionally and nationally – and an area which continues to experience multiple disadvantage.
- The synergies between a regional casino and Glasgow’s future tourism growth would complement each other to confirm the city’s reputation as a global destination for leisure, commerce and investment.
- Glasgow has a strong track record in regeneration and inward investment, and provides an environment that can accommodate and maximise the economic and social benefits from such a major private investment, providing the necessary ingredients for a successful ‘pilot’ regional casino.

1. Economic, social and regeneration success:

Glasgow considers a regional casino as much more than just a new leisure investment opportunity for our city. The sites, which have attracted casino operator interest, are part of a much larger regeneration programme transforming the River Clyde corridor. Establishing the casino, along this regeneration corridor, will be a major element in securing the city’s wider economic and social renewal aspirations. A regional casino builds on Glasgow’s policy of attracting sources of economic growth into the city, and supports the National Regeneration Statement by delivering further investment along Glasgow’s Clyde corridor.

Glasgow’s bid is socially responsible. The UK Government has already put in place stringent safeguards to ensure there is no negative social cost from the creation of a regional casino. Glasgow will take that further, by insisting that anyone who wishes to operate a regional casino in the city will have to finance research to increase our understanding of the social impact of gambling, fund intervention programmes designed to prevent excessive gambling, and assist the minority who have gambling problems.

Glasgow's economic case is sound and the bid is supported by a rigorous, realistic, impartial and highly credible economic impact assessment. Casino visitors are expected to contribute as much as £26m towards Glasgow's annual GVA, attract as many as 600,000 visitors each year and create as many as 2,500 FTE jobs. Our estimates are backed by the casino operators who have provided us with information on the scale and nature of potential job creation and applicable wage rates.

There are clear regeneration benefits not only for Glasgow, but also for Scotland and the UK as a whole. The market also endorses this with leading international casino operators and developers, including Las Vegas Sands, Kerzner International, MGM Mirage and Miller Developments, having already either indicated, or drawn up propositions for a regional casino.

Despite the fact that they are competitors, and are proposing different locations, these operators clearly share the same view – that a regional casino development on any of the locations proposed for Glasgow would be a commercial success, which would deliver their business objectives and the cities' key objective of social and economic regeneration.

2. Vision for growing the city's international profile

Over the last 15 years, Glasgow has emerged as one of Europe's most progressive cities. It is Britain's fourth-largest city, lying at the heart of a metropolitan area of approximately 1.8 million residents. Tourism, conference business, and leisure have been amongst the fastest growing industries in Glasgow in recent years. The city welcomes upwards of 3.2 million visitors each year. In 2003, total visitor expenditure (including international and UK tourists) reached around £1.8 billion. The tourism industry accounts for approximately 27,350 jobs in the city (ABI, 2003) - 7.1% of total employee jobs in Glasgow - and nearer 55,000 in the wider metropolitan area. Glasgow is already a 'destination city', with the tourism infrastructure and customer base necessary to give the regional Casino project an excellent chance of early success, as well as building upon this in future years.

The New Joint Economic Strategy for Glasgow, and the Tourism Action Plan - both currently under development - will outline a vision for Glasgow which confirms it as Scotland's premier destination city. A regional casino is clearly consistent with this vision, and will help secure both Glasgow's future tourism growth and our international profile. Forecasts show that if our strategy is successful, international tourism revenue in Scotland is likely to double by 2015.

From ambitious plans to host the Commonwealth Games in 2014, to potentially housing the UK's first regional casino – Glasgow is progressing every opportunity to develop as a world-class tourism and business destination.

3. Regional Context and Unique characteristics

In the last 20 years, Glasgow has delivered some of the UK's most successful regeneration programmes. The city has gained a reputation for innovative and successful urban regeneration. Glasgow already has in place a well-developed infrastructure, adaptable business locations, strong economic foundations, a well-established and internationally recognised tourism product and positive, confident partnerships between public and private sectors. These are the fundamentals necessary to ensure the success of a regional casino development.

In the last year alone, there was a record £3.4 billion of private investment underway across the city. Glasgow's regeneration success has created an environment that can accommodate, and will maximise the economic and social benefits from such a major private investment. The Council is determined that all of our citizens will share in this unprecedented economic success.

There is much, however, that still has to be done. Glasgow has 82% of areas with the highest deprivation in Scotland. A regional casino development is an opportunity to bring a new dimension to our regeneration and a chance to give jobs to those who need them most.

Many disadvantaged communities in the city are located in the riverside corridor, where the loss of employment in traditional manufacturing and shipbuilding has left a considerable legacy of unemployment and economic inactivity, social problems, and disused land.

As a catalyst for providing jobs and improving the investment prospects for our city, a regional casino would assist progress by providing:

- Construction/training programmes for the creation of local employment, through a high commitment to education and training programmes, required to ensure the local workforce are trained to international quality standards
- Social benefits through investment in community facilities
- Transport enhancements and additional infrastructure investments

4. Response to any objections to the proposal (of which we are aware):

Glasgow City Council strongly supports the case for regional casinos because it believes they offer significant benefits to local economies in job creation and economic regeneration. The principal concern about a regional casino which has been raised is that of social impact i.e. gambling addiction.

Gambling can of course be addictive and this is a serious problem for a minority of people. But that doesn't mean it should be unduly restricted. Moreover, all of the available research and evidence suggests that the most pressing issues do not concern resort style casinos, but much less-regulated, and increasingly easily accessible local gaming machines, and most of all, ubiquitous access to home gaming via the internet.

While there are concerns over a potential rise in associated social problems, the Council will demand that operators fund programmes to prevent excessive gambling, and to mitigate against any adverse consequences arising from the presence of the casino.

Concluding Comments

Glasgow City Council has based its bid on:

- The contribution which the development would make to Glasgow's economic development strategy, its tourism development, and the River Clyde corridor regeneration programmes – regardless of which city site is chosen
- The clear market interest from some of the leading global casino operators
- The undoubted economic growth and employment benefits which a regional casino offers to areas of high unemployment or inactivity
- The information from our surveys which suggests a high level of support for a casino development
- The ability to work with operators to translate these benefits for local residents and businesses
- The willingness of the casino operators to work with the Council to understand, prevent and mitigate any potential social costs

Glasgow is convinced that it has all of the fundamentals in place to make the UK's first regional casino a success, and it looks forward to providing a valuable testing ground for this element of the Government's gambling policy.

Councillor Steven Purcell
Leader, Glasgow City Council
