

## **MANCHESTER CITY COUNCIL STATEMENT TO THE CASINO ADVISORY PANEL**

Government has charged the Panel with recommending a single location that will provide the best test bed for the introduction of regional casinos into the UK and provide it with the best evidential base on which to take future decisions on licensing of this type of facility.

The optimum location for this initial pilot licence will not rest on any one criterion, but on three critical considerations:-

- the requirement to manage the regional casino with paramount regard to the need to forestall and/or counteract any potential negative consequences from the introduction of this new type of facility in the locality.
- the commercial strength and viability of the location – i.e. the location must be not only sufficiently attractive to the market for the development to proceed, it must also generate and maximise the revenues which need to underpin its performance as a driver for regeneration.
- the need and potential for regeneration – i.e. the regional casino must deliver not just physical development, it must also provide demonstrable improvements in the social condition and economic prospects of local communities if Government's wider regeneration objectives are to be realised.

Manchester's proposal provides the optimum response to these three prime requirements:-

### **Promoting Social Responsibility and Monitoring Impacts**

The City Council has already engaged a wide range of stakeholders through the Manchester Partnership, (the city's Local Strategic Partnership) to develop its social responsibility framework. It is in the process of establishing a unique Responsible Gambling Unit within the Chief Executive's Department to integrate and focus the resources of relevant Council departments and external agencies, including the health services and Greater Manchester Police (GMP) and agencies providing community support programmes. The Unit will play a key role in ensuring the regional casino and other gambling facilities in the Manchester area maintain a high standard of socially responsible practice. The Unit will have a remit to educate, to research, to evaluate and to commission services to address problems across all types of gambling in the city. Its work will be overseen and guided by an independent community trust.

One of the important incidental consequences of the Gambling Act has been to focus attention on the social impact of problem gambling in all its forms. The Responsible Gambling Unit is, we believe, a unique and vital response

which will ensure that the city harnesses local partners and continues to learn from its own activities and from global best practice.

The city's Crime and Disorder Partnership has been at the forefront in developing close working relationships between the Council and GMP, and it will provide the framework for addressing any issues related to criminality. GMP have confirmed in initial discussions that there are no particular issues of crime or anti-social behaviour associated with existing casino and other gambling operations in Manchester, but this will be closely and regularly monitored by the responsible gambling unit. The expertise of GMP (rated nationally one of only two "excellent" rated forces in the country in relation to organised crime, and the best performing force in respect of money laundering), coupled with the framework of the Crime and Disorder Partnership, provides a strong, pro-active and multi-agency mechanism to address problems if they should arise.

### **Commercial strength and viability**

This is largely a function of the size and demographic characteristics of the casino's catchment area. Manchester, at the centre of the second most populous region in the UK, with a population of over 10 million within a 45 minute travel time, and with public transport, road and air connections, will generate much greater footfall than other potential locations, with the possible exception of London.

The socio-economic character of the catchment area for the casino is also vital in assessing its potential commercial strength. 3.5 million individuals, fit the regional casino customer profile – again setting the Manchester proposal as significantly stronger in commercial terms than other locations outside of London.

Manchester's tourist economy is strong and rapidly-growing. The city is in the top 50 globally as a business conference destination, it is now the third most visited city in the UK, and the second after London of the shortlisted locations. Visitor numbers have increased 17% over the last five years, but overseas visitor numbers by 50%, and the value of tourism to the economy by 60%. Other locations may require a monopoly position to build a new tourist market or to reverse historic decline. In Manchester, the regional casino will complement and extend the range of cultural and leisure facilities that the city offers to a growing volume of visitors.

This commercial strength is not just prospective but real, as evidenced by the pro-active approaches to Manchester from global operators during the Joint Parliamentary Committee's pre-legislative consideration of the Government's gambling proposals. In response to this, the City Council invited and received proposals from every major international and national operator of note. Although this process will be undertaken afresh in the light of the Gambling Act's requirements, the work Manchester has already done demonstrates beyond question the market's positive view of the city as a location. The

commercial strength of a regional casino in Manchester will generate substantially greater community and regeneration benefits than other less populous or less commercially attractive locations.

### **Need for and potential for regeneration**

Manchester's initial submission to the Panel records that, it is the third most deprived local authority area in the country, based on the only objective national measure of regeneration, Government's Index of Multiple Deprivation. Manchester's need for regeneration is, in other words, substantially greater than that of any other English local authority area (comparable statistics are not available for Scotland or Wales) under consideration for the regional casino licence.

There are, however, two other factors which need to be considered in evaluating the prospective regeneration impact of proposals:

- Need has to be matched by potential for regeneration if it is to be sustainable in the medium and long term. Manchester, as the regional capital of the North West and, in many senses (verified in the Northern Way strategy), of the North of England, has an economic importance which transcends the administrative boundaries of the city. There has already been a significant restructuring of the old industrial base of the city's economy and recent studies, notably the Government's State of the English Cities report, has identified Manchester as the only location in the UK which is making, and can continue to make, a significant contribution to the reduction of regional economic disparities between the South East, and the rest of the UK. This objective is at the core of Government's economic regeneration strategy. The regional casino will make a major contribution to accelerating this process and fulfilling a potential which is not evident to the same degree, if at all, in other locations.
- Physical development has to be linked to achieving social and economic improvements for deprived communities. Failure to do so will intensify the threat of a two-tier, two-speed society which is inimical to community cohesion. Manchester has a national reputation for comprehensive area regeneration, with both capacity and a track record in linking wealth creation with local employment benefit. The East Manchester regeneration initiative, started in 2000, is one of the most ambitious and most successful comprehensive regeneration projects in the UK, building as it does upon fifteen years of experience in the city, notably in the Hulme City Challenge programme in the early 1990s and in the renaissance of the city centre following the terrorist bomb in 1996.
- Manchester has the strongest track record in the country in delivering major complex physical developments such as these on time and on budget. This expertise will of course, be important in the construction of a regional casino and leisure complex. But no less important, in regeneration terms, is the city's expertise in linking such developments to local economic needs. The organisational infrastructure is already in

place, harnessing a range of statutory (i.e. Job Centre Plus) and non-statutory organisations to support local unemployed people to take advantage of the job opportunities that the development will create.

## **Summary and Conclusion**

Manchester's proposal is, we believe, strong in each of these three critical areas. In some senses, the inclusion of Manchester on the Panel's shortlist is recognition of this. However, Manchester's unique proposition lies in the inter-relationship and inter-dependence of these areas. In the strength of its commercial case, in the paramount need and opportunity for comprehensive regeneration, in our innovative approach to social responsibility, Manchester represents the optimum location for a successful development which will provide both the best test for the regional casino concept in the UK and the best benchmark for any future developments.