

Professor Stephen Crow
Casino Advisory Panel
3rd Floor DCMS
2-4 Cockspur Street
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4 September 2006

Dear Professor Crow

Sheffield's bid for a regional casino

I am writing to confirm and record Yorkshire Forward's full support for Sheffield City Council's bid for a regional casino.

Yorkshire Forward is the Regional Development Agency, funded by the Government, to support and help deliver the economic growth of the Yorkshire and Humber Region. Our primary duty, working with partners, is to draw up and help implement the Regional Economic Strategy.

The revised Yorkshire and Humber Regional Economic Strategy (RES) 2006-15, was agreed by Government and launched in July 2006. It highlights the vital importance of the region's cities in driving and achieving economic growth but it also recognises that our cities and their broader economic imprint (across what is termed a "city region") include the most and least prosperous parts of the region. The economic opportunity presented by a regional casino in Sheffield is vast and the kind of step change it could bring to the prosperity of the Sheffield city region, and the region generally, cannot be underestimated. The regional casino provides the Sheffield city region with a major economic opportunity to harness its strengths and fully exploit its complementary position and role in relation to the Leeds and Manchester city regions.

Sheffield's community, and much of its broader city region community, have felt the full impact of profound economic restructuring over the last forty years triggered by the collapse of coal mining and heavy industry, the associated loss of thousands of jobs and the absence of compensating investment in the economic infrastructure. Over the last twenty years in particular economic decline has been arrested, and significant investment in the city's renaissance to develop a 21st century place with a diverse economy is showing real signs of success. However, sustainable success depends on the final 'transformation' phase of the economic recovery plan.

This ambition for transformational change is reflected in the vision set out in the Sheffield City Region Development Programme, which seeks to ensure that the city region is, 'a pivotal international business location and one of the most successful city regions in the North of England' – characterised by its innovative and creative economy, strong connections to key markets, unrivalled quality of life and vibrant and cosmopolitan population, with approximately 1.7 million people living in the nine local authority areas that make up the city region.

The scale of contribution that a regional casino would make towards this transformational change – in terms of investment, jobs and broad leisure and cultural offer over and above the gambling aspects – would bring forward the development of a successful Sheffield City Region

at a faster pace than currently envisaged. Given the forty year time span through which Sheffield's community has already fought to achieve the beginnings of an economic turnaround, the quickened pace offered by the regional casino is to be encouraged and welcomed.

More specifically, the economic (and regeneration benefits) we expect a regional casino to deliver include one-off capital constructions costs (between £100 and £200m) and associated construction jobs, approximately 1,500 full-time equivalent jobs (most of which would be good quality), planning gain and ongoing community/social benefits. In relation to supply chains, displacement and multiplier effects, it is considered that there will be significant indirect employment opportunities with annual spend in the local economy likely to be between £40 and £50million. Capturing these employment opportunities and directly matching them to communities most in need will be a critical factor in securing the maximum additional beneficial impact from a regional casino. Sheffield can build on previous experience of other city initiatives (JOBmatch and Construction JOBmatch) that have sought to achieve this.

Additionally, Sheffield's location with excellent connections to the M1 and within easy access of Manchester, Leeds and Birmingham, together with the very large catchment area available within 1 hour drive time (3.6 million people), is a key differentiator in terms of the city's accessibility to markets and ability to capture out-of-region demand, compared to other cities. The market fundamentals underpinning a regional casino are therefore exceptionally strong with high market share and penetration rates expected.

Yorkshire Forward's Board considered the regional casino issue most recently at its meeting in March 2006. Those considerations were informed by research undertaken in 2004 on Yorkshire Forward's behalf by Ernst & Young and I understand that the Panel has seen a copy of this research report. The report indicates that Sheffield would benefit most in regeneration terms from a regional casino. Yorkshire Forward's Board, noting the focus of the RES on the region's cities as economic drivers, considered that the benefits of a regional casino should be welcomed in the three city region areas. Given Sheffield's success in making the Panel's short-list, the Board will continue to be fully supportive of the City's efforts to be the chosen location for the pilot regional casino and will continue to work with the City to that end.

Yorkshire Forward is also, of course, fully aware of the social challenges that a regional casino presents – particularly in respect of problem-gambling and community cohesion. We are reassured that Sheffield has been addressing these issues from a very early stage in the development of its regional casino bid and that the City is determined to continue to address them in an inclusive and comprehensive manner to ensure that any adverse implications of a regional casino are fully identified, understood and mitigated, and to ensure that the whole community benefits positively from a regional casino development.

I hope the above information is helpful in outlining why Yorkshire Forward supports Sheffield's bid for a regional casino and look forward to the opportunity to further outline the case for Sheffield through our participation in the Examination in Public on 6th September.

Yours sincerely



Tom Riordan
Chief Executive