

CASINO ADVISORY PANEL

PROF Stephen Crow Chairman
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PROF STEPHEN CROW: Ladies and Gentleman, in the press wants to take any interest in our activities, I think now's the time to start. Can I say, first of all, how glad I am to be in Blackpool? It's a lovely sunny day and I think, I hope that you ladies and gentlemen of the press will let the world know that it's always sunny in Blackpool. It is, isn't it? Yes, good. Sorry that our timetable only allows 10 minutes, I'll try and use that the best as I can to cover the things that you're interested in. I'm going to start with a short piece of background, then say something about the Casino Advisory Panel and then the examination in public and what we hope to gain from the examination. Then, we haven't got time to answer all the questions of the press, most of the questions, I think are last week's questions. The press doesn't seem to be interested in John Prescott anymore. Quite understandable, I suppose. They've got other things to talk about. But I'll try and anticipate some of the questions. Anyway, the background. Parliament last year decided that there should be three new types of casinos to operate in Britain, and by Britain we mean Scotland, Wales and England. One regional casino will be permitted, along with eight large and eight small casinos. The definitions are in the Gambling Act, Gambling Act 2005 and on our website, but briefly the regional casino is at least as big as anything in Europe or possibly bigger. Large casinos will be as big as anything currently in Britain, and the term small casino probably speaks for itself. Casino Advisory Panel, we're constituted as an independent body, not supposedly independent, actually independent. Not beholden to any local authority, casino developer or operator, nor are we subject to any political pressures or interference with our work. We were appointed by Richard Coburn, Minister of State in the department of Culture, Media and Sport, in September last year, after an open competition and interviewed by the Board, including two independent members. I would stress that because I think it does underline how it is we are able to say, quite firmly, we're independent. We're proceeding on the basis that we're consulting as widely as possible in seeking out evidence, we're appraising that evidence in the light of all our professional experience, and our professional experience in the Panel does cover a very wide field. Every member of the Panel is committed to the seven Nolan principles of public life. We're assisted by a secretariat, which is based in a Department of Culture, Media and Sport office, so it's just off Trafalgar Square, in London, but it does function separately from that department and it's under my direction. And I think I'd just like to take this opportunity to thank the secretariat for all their hard work in preparation for these examinations, week before last, they were working quite literally, up to midnight every night, tremendous amount of work they did. A lot of the work, of course, was answering queries from the press, and I made no complaint about that. But I'm sure you do realise that if they spend five minutes answering your queries then that's five minutes they're not doing something else. Criteria; the primary criteria as laid down by the Secretary of State is to ensure that the location satisfied a need for the best possible test of social impact, which may require a range of locations in different kinds, such as seaside resorts, edge of town developments, or inter city centres. Subject to that the Secretary of State has asked us also to include areas in need of regeneration, as measured by unemployment and other social deprivation data which are likely to benefit in these terms from a new casino. And we also need to ensure that the areas selected are willing to licence a new casino, and needless to say we need to pay due regard to government policy in other respects. Just to make things quite clear, the Panel well understands the social issues relating to gaming, not least the social issues related to debt and problem gambling. And one thing we're looking out for in the proposals is examining how these problems can be minimised. We're committed to the principles of openness and transparency, all documentation including the submitted proposals are posted on the Panel's website or will be shortly. We're due to report with our recommendations to the Secretary of State, by 31st December this year. It will then be the Secretary of States job to make her decisions based on our advice, and needless to say she doesn't have to follow our advice.

Programme of work; well we started with scoping and then asked for formal proposals in March. Now, as summer is in its last, oh I don't know, summer seems to be going on well this year, by now we're examining the proposals and evaluating them. Examination in public, of course, is perhaps the tip of the iceberg, a lot of the work that is being done is, of course, by examining all the written material. And then we've got to consider all the evidence and write our report. It's a big job. Examination in public; we've time only for the proposals for regional casinos, that's the very big one, to be examined in public. The short list for the large and small casino we're dealing with on the basis of written representations. What is an examination in public? Well the main purpose to provide an opportunity for the discussion and testing, in public, and before the Panel of selected matters. And the matters have been selected by the Panel following consideration of the proposals, the representations made, the responses received by the Panel to specific questions and what we consider is necessary to hear about in order to select the area to be recommended. And we've been holding a session of the examination in public, in the locations of each of the proposals. We started off in London, we didn't hear Brent because they pulled out, we did hear the Greenwich proposal, then we went to Cardiff, Monday this week we were in Glasgow, then Newcastle, Sheffield yesterday, Manchester and today here we are on a lovely, sunny day in Blackpool. Is an examination in public like a public meeting? No, it certainly is not. A few centuries ago, it would probably have been called inquisition. We have kinder ways of getting at the truth nowadays, but one of them is holding sensible discussions where people are not going to make political points or great speeches but have a sensible, professional discussion. Anyone can come along to see and hear what goes on, but only those invited can take part in the discussions. And I should remind everybody that it only takes one person to make a good point. Let's spend a bit of time anticipating some of your questions. Have we been to see any casinos? Yes, I happened to be Dortmund, which is in Germany, old industrial area, with a party of students studying urban regeneration this year, and an academic colleague there, Prof Klaus Kunsman suggested we went to see the second largest casino in Europe, which is in Dortmund. We went along there, and got quite a good bit of information from that. Did we receive any hospitality there? Oh indeed we did. Coffee and biscuits. We've also as a Panel been to see Star City in Birmingham, which is reputed to be the largest existing casino in Britain, we had sandwiches and coffee there. What role has John Prescott played in our process? None. What do we think about Brent pulling out? Gave us a day to do something else. Why did we look at Greenwich first and Blackpool last. We looked at Greenwich first because Brent pulled out. We're looking at Blackpool last because if you just look at the map you'll see how we managed to cut down our travelling. Is the whole thing fixed? No, it's neither fixed for Blackpool, nor is it fixed for the Dome, nor for any others. What does the Panel think of the bid we're looking at today? Well, it certainly was worth coming here, and look forward to hearing all the evidence about it, and then perhaps we can say something more in our report, by New Year, about it. Conflicts of interest? We do, before we start, always say what interests we have in a place. It's up to others to judge whether they're conflicting. I think it's suffice for me to say that we do make sure that nobody acts in any sort of prejudicial way. Discussions between Panel and Ministers? We're due to, we have to make reports at each stage, to Ministers. I think our next report, or my next report is due probably when we've got back after this week. But there is no movement the other way at all. Ministers have not, I can assure you, Ministers have not in any way tried to influence our procedures. How are we doing for time, oh dear, sorry about that? I think we must get on, because I do want to open promptly at half past, and just a reminder to everybody around the place, if they could be in their places dead on half past. We've got a lot of business to get through today, so we obviously don't want messing about, people taking as much time to sit down as starlings on a telegraph line. Thank you all very much.

Good morning, now the press are on their way out can I say how glad I am to be in Blackpool. It's very clever having the sun one. And as I think I said to the press earlier, it's like this all the year round, isn't it? Why should anybody want to go to the South of France, or Spain or the West Indies, the East Indies, anywhere, when they've got sunny Blackpool to come to? I was just about to say, no applause. Anyway, let's get on with the serious business. This is a non-statutory examination in public, of a proposal by Blackpool Borough Council to be permitted by the Secretary of State for Culture, Media and Sport to issue a casino premises licence for a

regional casino, within their area. My name is Stephen Crow, and I'm appointed by the Secretary of State to Chair the Casino Advisory Panel, which is holding this examination. The other members of the Panel, starting on my right, Mr Neil Mundy, Mr Chris Collison, to my left at the far end, Mr Deep Sagar and Mr James Froomberg. I'm not going to waste time by repeating everybody's qualifications, there's a lot of them, I can assure you, covering a very wide field, and they are all on our website. I should mention that one of the participants in our Blackpool team, Professor, Sir Peter Hall, I've known him a long while, because when we were at college, he was a research student and I was an undergraduate, needless to say I looked up to him, and as a mere undergraduate I was beneath notice. But we've got on tolerably well since, good to see you again. Have I mentioned the Panel secretariat? No, I haven't. To my left is the Panel secretary, Miss Valerie Curtis, beside her is an assistant in the secretariat, Kate Rowns, assistant secretary. You will have met another assistant in the secretariat, Mr Gavin Fleming, at the door. A few points of procedure for participants, please remain seated. If you wish to speak, please raise your name plates thus, and I or someone else on the table up here will notice and call you as soon as possible. Very pleased to see so many members of the public present. I think it's possibly fair to say that the number of members of the public present here is equal to, I think, the sum of all those we've had throughout our tour of Britain. I hope you do appreciate this is not a public meeting, and if I can just be pedagogical for a minute, my mother and father are both school teachers, so I do expect that the standard of conduct amongst the members of the public as though they were in court, or in church. So no applause. I know there are some churches where they go in for applause and so on, but not here please. Please, no smoking. And not that anybody does smoke, these days, of course. And please, please turn off your mobile phones, otherwise you'll get told a horrible story about somebody that was very, very embarrassed because they didn't turn off their mobile phone, at an occasion like this. Couple of months ago, we did visit Blackpool, we had one of our ordinary business meetings up here, and we were able to look round, thanks to an itinerary provided by the Borough Council, we did look round the site of where a lot is being proposed. We had the privilege of going to the top of the Tower, we looked at the Tower ballroom and also got to some of the places that tourists don't usually go to. So, there we are. Just one or two procedural points, is everybody familiar with the procedure round the table? I think I should make a point, Herbert Smith, its Mr, from Herbert Smith? Yes, but Herbert Smith did send us some documents, quite a large bundle of documents, and the covering letter said it was vital we should read them before we started. But when we got them we happened to be in Manchester, and it did cross our minds that perhaps Manchester deserved a bit of attention. I'm just wondering, what do you think we should do with those documents, please? And more particularly, well read them, obviously, you're going to say. How can we ensure fairness at these proceedings, because has everybody round the table had a set?

MR DAVID BIESTERFIELD: I think the attitude is, we've assumed that documents that go through the CAP are disseminated by the CAP. Documents obviously which haven't gone through the CAP we've assumed, if we want to, will need to be copied. I do apologise for the fact that it's late.

PROF STEPHEN CROW: Well, thank you for that. Has everybody round the table had copies?

MR DAVID BIESTERFIELD: I don't know, because I don't know what your secretariat have done.

PROF STEPHEN CROW: Well look, if they're to be taken into account by the Panel, and clearly you want them to, and there does seem some interesting material in them, they must go to the other side, and if people round the table want to make some comments upon them, make a response to them, then we're willing to accept that response in writing. Again, if anybody wants to make a response in writing, make further comments in writing, please send them round to all the other members and participants around the table, the secretary will give you the addresses, or e-mail addresses if you need them. But, I really don't want our secretariat to be burdened with being a sort of general post box. Is that, are you content with?

MR DAVID BIESTERFIELD: We're perfectly happy to provide documents to whoever on the other side, so to speak, who would like to see them.

PROF STEPHEN CROW: Yes, thanks, and Counsel obeyed, I had some material from yourself delivered to my hotel room. It should, if you don't mind me just giving you a slight tap over the

hand, it should have gone to the secretariat, of course. And I think the same procedure applies, if that's alright with you?

MR DAVID BIESTERFIELD: It was an e-mail from one of your secretaries saying that it would be acceptable to deliver it to the hotel.

PROF STEPHEN CROW: Yes, thank you. The agenda today will follow the list of issues that's been circulated. I understand that the Chief Executive of the Regional Development Agency, is here this morning. But can't come this afternoon. I did wonder whether perhaps we might just turn the order of the procedure around, but we did conclude that whilst that would be personally confident to yourself, it could be singularly inconvenient to everybody else. But I will give you a chance just to say something before we pack up for lunch.

CHIEF EXECUTIVE: In which case, I'll stay this afternoon. Thank you.

PROF STEPHEN CROW: You can stay? Of well that's excellent. Thank you very much. I don't know whether there's any other procedure points? Good. In that case, do please listen carefully because the secretary will tell us what to do in an emergency.

SECRETARY: If you hear the fire alarm, please leave by the nearest available exit, which are the two doors you've just come in through. Please close those doors on route, last people out, and then assemble at the front of the hotel by the front doors.

PROF STEPHEN CROW: Did you all get that? Thank you. I should just mention that we have had some letters of support from Members of Parliament, both the lower and the upper House. I've had a letter from the Right Honourable Lord Tom McNally of Blackpool, he's written in, in support. Joan Humble MP, for Blackpool North and Fleetwood has written to us in support. Gordon Marsden, Member for Blackpool South, in support. Geoff Ennis, Member of Parliament for Barnsley East and Mexborough, in support. Now you may wonder how Barnsley East and Mexborough come to support Blackpool, I think we're talking about a Blackpool lad, as he describes himself. Lord Faulkner of Worcester, nor be confused with Faulkener of somewhere else, Lord Faulkner of Worcester has written in, in support. Members of Parliament may be asking themselves, why haven't we invited them. The short answer is that, of course, once our report gets to the Secretary of State, it will then be in the political domain, and that of course, is the area in which Members of Parliament, or Members of both houses are best able to exercise whatever they want exercised. It's customary for the proposing authority to give a very short statement by way of introducing the proceedings. This is not so much as to inform the Panel, because, you know, we've had a lot of material from you. As much as anything else, it's to inform the members of the public what it is they've come to listen to. So, who is its going to speak on behalf of Blackpool?

MR STEVE WEAVER: I will, Professor Crow. MR STEVE WEAVER Chief Executive of the Council. First of all, Professor Crow and members of the Panel, good morning, I'm very pleased to welcome you here to Blackpool, and particularly on a bright, sunny morning, and for us to have the opportunity to clarify for you our thoughts and submissions and to deal with any issues and questions that you may have. I hope that by the end of the day you'll appreciate our case, and our passionate, heartfelt to change Blackpool for the better, and have satisfied yourself of the best test case that we believe we're putting forward. All of us here, and I think everybody in the audience and everybody around the table want to see, and need to see a new sustainable, an optimistic future for Blackpool. And that is why we've spend the last six years developing our proposals here, to create a new Blackpool, a world class resort destination, a great place to visit, so that we can create this better place to live, for our people. The key catalyst of first one regional casino, and then more, if and when a second phase is enabled, drives this vision. We've spent many years developing our proposals and testing the reality of them. Over this time, we've helped government develop it's thoughts on the modernisation of gambling, and we've come to a clear understanding ourselves, of the nature of the casino based development and regeneration across the world, seeing where and how it's been done well, and where not so well. In the early years, we led the debate with our community with key stakeholders and within the Council, before concluding that this destination casino led regeneration, was the right, and indeed the only effective solution for Blackpool. It is our contention and belief that Blackpool is both the best and the right place to be the location, for the one currently available licence. We provide the right place for the best test of social impact, the maximum regenerative impact, and an undoubted

willingness to licence. We spent a long time preparing for this, and having placed programmes and initiatives designed to maximise the benefits to local people and business. We will use a wide range of existing intervention mechanisms to test, resolve and monitor social impacts, supported by the excellent, local academic institutions. We have particular expertise in association with the police, and other public services, in dealing with a hedonistic culture. Lancashire Constabulary, one of the highest performing forces in the country, has a wealth of experience in dealing with issues associated with mass visitors, gambling fun and entertainment. It has developed strategic approaches to deal with any potential issues which could arise from these proposals, where these were serious crime, or potential lower level associated issues. The previous Divisional Commander, now Assistant Chief Constable, has visited other gambling jurisdictions around the world to develop this understanding, and from this has formed the clear view of the police that there will be few, if any serious crime issues as a consequence of the control and regulatory environment imposed by statute and by the Gambling Commission. The police fully support our proposals, identifying the positive benefits of transforming Blackpool's economy and it's prosperity as being a massive prize, resulting in a reduction of vulnerability, disadvantage and deprivation which will consequently lead to improved behaviours and less impact on policing. Why can we provide the best test of social impact? We are a seaside resort but with a characteristic city population. We've the fourth densest built environment outside of London, with an urban population across the Fylde coast of 260,000. We have some of the most disadvantaged and deprived communities in the country. With an urban population of this nature, and a local authority constrained within tight boundaries, the social impact for good or ill of a regional casino can be easily and reliably measured. To help this, we've already established benchmarks, both in terms of gambling prevalence and the social and economic profiles of the local population to enable us to measure impact over time. As a leisure destination attracting 90% or more of the visits to the casino complex from outside of Blackpool and 70% of visits to Blackpool currently from outside the North West, the net economic benefits to Blackpool will be maximised. As a destination casino we will not have local people effectively paying for their own regeneration. Our choice of operator, which we have yet to make, will be heavily influenced by their track record and proposals in harm minimisation, and monitoring impact. We will expect the chosen operator to use matters such as the frequency, spend levels and activity of customers, as markers to identify potential problem gamblers, and to train staff to take appropriate action, such as counting on self-exclusion to minimise individual problems. We will minimise social impact and maximise community benefits. We expect the adverse social impact of a casino development of this nature to be minimal, and hugely outweighed by the positive economic and social impact on Blackpool. We know this from the wide range in independent social impact assessment carried out by Lancaster University. We will use our licensing and legal agreements as land owner to secure the operator participation in the continuous development of social responsibility programmes that are internationally best of class. We have a clear and developed strategy for gambling harm reduction, which includes public education awareness and treatment programmes, and following our meeting with Gamcare, we're developing new services to deal with problem gambling in the resort. We are far advanced in developing a specific set of plans and services to protect vulnerable residents and visitors from the dangers of problem gambling. With a primary care trust and Lancaster University we've developed a five stage harm minimisation strategy, drawing on best practice from around the world. Within our children's services, we have a strategy to educate our young people about the effects of increasing availability and access to gambling through the internet, etc. as well as the potential regional casino in Blackpool. Raising levels of attainment in school for our young people is key, so they can take advantage of the job placement and skill and training opportunities created by this, and by focusing on this; we've seen the percentage of our young people reaching five A star, to C GCSE levels moving from 39% to 49% in the last two years. To ensure that unemployed people can access the jobs created, we're combining the resources of the ground breaking regional Gaming Academy, based in the Blackpool and File College, the Casino Training Alliance and the new Blackpool Enterprise Centre, currently being constructed with neighbourhood renewal, and European funds, to deliver and enhance job opportunities, particularly for those in our deprived inner neighbourhoods. This centre will act as a base for Job Centre Plus, the Council, local college and other training

providers. It will not only directly link local unemployed people to jobs, but will also provide incubator units for small creative and supply chain business to start and be supported. Using the experience gained from the Pathways to Work pilot in East Lancashire, and the Northern Way Funded Workless Initiative we will work with Job Centre Plus and others, to ensure that the jobs are targeted to our huge workless population. As licensing authority and as landowner we will chose an operator not only with high ethical standards and practice in harm minimisation but one with a good track record and proposals for local employment, including requirements to train, fund bursaries for local people and place job opportunities with local workless and young people. The regeneration payment will be directed to the construction of a new national conference and exhibition facility, which is vital in our aim to recapture last markets, create new ones as part of our ambition to have an all year round destination. We will use the resources flowing from this proposal to development specific initiatives, negotiated with the successful operator, targeting assistance on our vulnerable local neighbourhoods and populations. We will also use the business rate uplift through our business improvement district and operator contributions to develop a community regeneration fund to benefit local communities.

If I can now move on to regeneration which is fundamental and has been the key driver for us. In the 19th century and early to mid 20th century Blackpool let the world in providing quality entertainment and fun for the masses of ordinary working people. The history which created prosperity, job and opportunities for many and has left a legacy of attractions and accommodation and still today brings around 10 million people to the resort each year. However, on your visit here in August, you will have seen an aged and tired infrastructure within the resort. A lack of major investment by existing local stakeholders and the failure to attract appropriate inward investment into new attractions. You will hear first hand of evidence of this decline, today, from business people represented here around this table, and this in a growth sector of the economy both nationally and internationally. Our season is becoming shorter with peaks lower, and focused more around weekends. The number of visitors reduces each year, year on year and the length of stay has fallen from an average 4 to 5 days 20 years to 2 to 2 ½ days now. At the same time our visitors are increasingly drawn from socio-economic group C, D and E, with shallower pockets and less to spend. Blackpool's in steady, but not yet terminal decline. We have just a few years to reverse this trend before we reach the point from which we can't recover. And that will impact, not only on Blackpool and the far Fylde coast, but across the region, at a major cost to the public purse, both locally and nationally. The consequences of this decline can be clearly seen in and around the resort core. Large numbers of our hotels and guest houses have average occupancy rates of less than 25%, a wholly unsustainable situation. It has resulting in a failing economy with high levels of worklessness, low wages, 25% lower than the natural average. Seasonal employment, poor health, disadvantage and deprivation, equating to levels only seen in our major cities and described in detail in our previous submissions and referenced evidential support. Without transformation change, the future is bleak. The nature of Blackpool's economy, its location, infrastructure and development opportunities limit our ability to diversify away from tourism. Fundamentally our future has to be based on destination leisure entertainment and fun. Our plans are to create a destination that is all year round, and weather independent, provided a differentiator quality leisure experience to meet a need for a resort experience fitted to the 21st century, for a quality resort destination for which there is currently unmet demand in the UK. We know from our populous national survey conducted in July of this year, that over 9 million adults have said they would be more to come to Blackpool who have never been before, or not been for the last two years, and further 4 million who have been in the last two years would be more likely to come if we were to be successful in gaining this regional casino licence. We've the opportunity and potential of 10 million people living within 2 hours drive time, our existing catchment tourist population. And 16 million within 3 hours. We will use the massive opportunity of an airport just 10 to 15 minutes from the centre of the resort, with it's access to the Irish, with a much more restricted gambling opportunities, and northern European inbound tourism market, who are looking, not necessarily for gambling, but for whom a revitalised Blackpool as a quality fun and entertainment destination at the centre of the Fylde coast would be a particularly attractive option. We can unlock, and will unlock the potential of an infrastructure, tired by still geared to a much higher level number of visitors. To do this, Blackpool has to become what it once was, a place

that appealed to all, founded on creativity with an offer based on quality. We can and will create this great place to visit so as to create a sustainable prosperous, tourism leisure economy, with a sustainable social fabric. And reverse the inexorable cycle of increasing disadvantage and depravation. Government at national, regional and local level has concluded that in Blackpool there is a conspicuous and urgent need for economic and social regeneration, and crucially a unique opportunity to achieve this through regional casino development. This transformational regeneration programme for Blackpool, forged over the last six years, entails a radical physical and spiritual transformational programme, supported by all local, regional and national stakeholders, and reflected in policies, strategies and statutory plans. It has been built learning from success stories across the world. From the beginning the key catalyst has been casino led regeneration, delivering a wide range of entertainment, conferencing and convention facilities, 4 and 5 star hotels, high quality restaurants and ancillary retail. The vision being an all year round weather independent, high quality entertainment complex, which will stimulate investment from existing stakeholders, such as Leisure Parks who own the Tower, the Piers, the Winter Gardens, arcades and many other attractions, as well as Pleasure Beach, Blackpool. We will attract new investors creating an entertainment offer that fits in and complements the gregarious cluster of businesses and activity in the resort. Whilst other alternatives were considered and pursued, none have been forthcoming. Indeed, other than through this route, there has been no interest in investment in Blackpool for decades. There is no other viable option for us. This is a major differentiating factor from all the other competing areas, each of whom have a wide range of alternatives, each of whom promote themselves as beacons of success. Our plans are well developed. To deliver the major development opportunities Re Blackpool, our urban regeneration company was created, and unusually for URC's it remit was to deliver a master plan already developed, which included the development of regional casinos at its heart. The proposed location for the regional casino is identified for this purpose in our adopted local plan, and has a development time line which will see the first phase, which includes the casino being opened in early 2010 on land which is entirely in public ownership. The later phases will follow in the next 15 months with the other principal landowner already agreed to this timescale. Others may claim to be able to deliver earlier than this, but this is just not true. It will be into 2007 before the final location is known and agreed, and at that point, whomever the successful licensing authority is will need to go through a comprehensive process to chose and procure an operator that will deliver the best community benefits. For many other areas this will mean undoing contractual arrangements, and agreements that they may already have entered into, leading to potential additional legal claims and delays, and in any case, none would be able to begin until late 2007, early 2008 as we propose to do. Blackpool is unencumbered in this area, and has left itself able to select the best operator to deliver the best benefits for the people of Blackpool. Our proposed regional casino site is a 23 acre brown field site already identified for casino development in the Blackpool master plan and in the adopted Blackpool local plan. The conference leisure quarter is deliberately located at the heart of the resort core, at the centre of the Golden Mile. It is the optimal location to attract visitors and can readily serve the regeneration of the town centre and surrounding attractions. It is close to dense concentrations of holiday accommodation. It has a direct, hire level connection to the M55 and the national motorway network, it's adjacent to the tramway, and 10 minutes work from the station. It was formally the central station site, and there has been no submitted commercial interest in this site for 30 years. It now consists largely of a temporary car park, a situation conveying quite clearly Blackpool's real need. The proposed conference leisure quarter will set new quality standards in a vibrant entertainment experience, rooted in the sea front tradition, drawn from international best practice. The Pion Model of Economic Impact for the regional casino in Blackpool quantifies the expected benefits the casino and conference centre would bring. An estimated net, 2 and a half thousand, to just over 3 thousand direct and indirect jobs. £200 million to £450 million of capital investment and between 4 and 5 and a half million visits per annum. The associated social and environment impacts will mean dramatic improvements to the quality of life and appearance of the resort. Development of the casino conference quarter is the key catalyst for investment elsewhere in the resort. There is clear recognition and support within Blackpool's large and small businesses that without this the long standing and inexorable decline, in visit numbers and stays, will continue, impacting on their

very survival. Our benchmark is not where we are now, but where we will be in 5 years without this. Only a tiny minority, a tiny minority have expressed fears about potential displacement effects. These have been assessed in the economic impact model. The regional casino will bring new visitors and stem the steady decline of existing ones. It will benefit most existing businesses, stimulating much needed investment in existing attractions, and the creating of an all year round resort with new investments. As the UK's still top location for mass tourism and mass entertainment Blackpool is the uniquely right place for regional casino, as evidenced by other resort, casino destinations around the world. Our need for regeneration is overwhelming but are potential still significant. The level of investment, whether one or eight licences were available will be as high as anywhere, and because of the complementary nature of the existing cluster of attractions and accommodation further investment will take place in those that will create a positive and self-reinforcing sustainable cycle of improvement. Unlike all the other cities you've visited in this past week or so, we have no other realistic alternatives for regeneration. Manchester has had its Commonwealth Games and has one of the fastest growing city centres in Europe, creating 45,000 jobs in the last five years alone, within a mile and a half of East Manchester. London has its Dome and Olympics, Newcastle its transformational waterfront, and so on.

In terms of the regional context, we have clear regional support; it is the priority location with both the North West Development Agency, the North West Regional Assembly, identified in the Regional Economic Strategy, the Draft Regional Special Strategy and Northern Way through the Central Lancashire City Regional Development Programme. At the full meeting of the regional assembly earlier this year, debating the casino policy, and I was there, full support was expressed for Blackpool across all parts of the regional, and across all sectors, with only the representatives from Greater Manchester abstaining, not voting against. Support based on Blackpool for being the right place for casino entertainment, the clear need for Blackpool for regeneration and the lack of any other viable alternative. The North West Development Agency has prioritised Blackpool for regional casino developments, committed long term financial support to deliver the master plan based on this. And jointly, with central government, to establish the urban regeneration company, Re Blackpool, the only URIC in the country with a remit to deliver casino gambling as a keystone to its wider regeneration. We are will to licence; Blackpool has overwhelming public and organisational support for its proposals, built over many years of strategy development, consultation, discussion and debate, our position on willingness to licence is unambiguous. There is all party support on the Council, tested at several full Council meetings, approving first the master plan in 2003 which transparently included a number of regional casinos. Our strategy local plan approved and confirmed at meetings in 2005/6, our draft gambling licensing policy expressly stating our willingness to licence, and finally a full meeting of the Council approved the submission to the Panel, in this year, with no votes cast against. This is not a decision approved just by the Executive Cabinet, or by even full Council on one occasion, it has been consistently and overwhelmingly agreed over 4 hours. The position on the Council is reflected by the level of support in the local community, expressed in the numerous meetings that have taken place with a wide range of groups in Blackpool, from our area forums with college students, teachers, business representatives, local Rotary and Roundtable Groups and many more. Our local strategic partnership, representing public, private and community groups, has endorsed both the master plan and the submission. Our Panel have been consulted with three times more people in favour that opposed. The local paper has run this story as a front page headline lead on 16 occasions on 2002, and in a recent box pop in the local paper indicated 91% of people in favour. Support extends to all the local authorities in Lancashire, the Lancashire Economic Partnership, the North West Development Agency, the Regional Assembly, The Cultural Consortium for the North West, English Heritage, North West Arts, Lancashire and Blackpool Tourist Board, Lancashire Constabulary, Blackpool Primary Care Trusts as well as the Acute Hospital Trust Blackpool and the Fylde Coast, the Local Federation of Schools and Colleges and Members of both Houses of Parliament have publicly backed Blackpool's proposals. We have commissioned two statistically significant surveys. The first in 2001 by SWR and the second by Ipsos MORI published in April this year, and in both around 70 to 75% of those people expressing a view were in favour of the proposals. Support is consistent and grows stronger when people are presented

with a full picture. The Anti-Gambling Lobby is vocal, but few in numbers. I welcome their presence here so they can voice their moral and ethical objections. This voice, which is present in all gambling jurisdictions around the world, has created a healthy check and balance into the debate.

PROF STEPHEN CROW: Of course, Mr Weaver, they might also question some of your facts and opinions, but do please go on.

MR STEVE WEAVER: Thank you, Professor Crow.

PROF STEPHEN CROW: Please don't interrupt; I'm going to do the interrupting, thank you.

MR STEVE WEAVER: We believe they introduced check and balance into the debate locally and has ensured that the assessment of potential economic and social impacts are properly assessed. Political resolve in Blackpool to licence is firm. It crosses political boundaries and has remained rock solid over the last 4 years, encompassing one all-out Council election. It will remain constant irrespective of the political make-up of the Council. Finally, therefore, of all the applicants only Blackpool faces decline with the catalyst of a casino project. For all others, the casino is a cherry on the icing of a pretty big cake. For Blackpool it is the cake. The broad base of the Blackpool scheme is a result of careful study of success and failed, casino led regeneration around the world. The successful schemes are holistic in concept, providing first class accommodation, world class entertainment and the best of retail and dining opportunities, a total holiday experience. Such an approach is accurately mirrored in Blackpool's regeneration master plan. Too many critics and commentators think of a destination casino in terms of a single building or structure. What we have in mind is quantum leap in the British holiday experience, to match anything in the world. When visitors came to Blackpool for the first time 110 years ago, and saw the Tower they were wowed. Our ambition is to provide a 21st century wow. We believe, I believe we're uniquely equipped to provide the benefit, to the benefit not only of itself, but also to the wider regional and national tourist office, the best test and the best impacts of this proposal. Thank you.

PROF STEPHEN CROW: Thank you very much Mr Weaver. We'll be spending the rest of the day examining whether everything you've said is right, so I won't take any questions now. There is just one point though, you said you had the support of the Lancashire Constabulary. Do they still call themselves the Lancashire Constabulary, by the way? It's a lovely old fashioned title, I'm so pleased.

MR STEVE WEAVER: Yes

PROF STEPHEN CROW: But what I really wanted to ask, is it that the case, in your view, that their evidence supports your case, or they actually have said, we the Lancashire Constabulary support you.

MR STEVE WEAVER: They have said that, we the Lancashire Constabulary supports us at a meeting of the Lancashire Authority.

PROF STEPHEN CROW: Well, then let's get on with just seeing whether what you've said is right. And the first thing I want to talk about is the type of area that is Blackpool. We've had an awful lot of statistical information about it. But, what I'd like to sort of go away is a clear understanding of whether the demographic characteristics of Blackpool, and if you like the adjacent towns that make up the Fylde coast are such as to offer the best test of social impact. Now who in your team can say something briefly about that?

MR STEVE WEAVER: I will say something, Professor Crow, and then if further detail is required I'll bring Mr Cavell in to provide the details that I wouldn't have.

PROF STEPHEN CROW: Then I will ask ladies and gentlemen on the other side to give me their view, and their evidence.

MR STEVE WEAVER: We have looked at the demographic, socio-economic characteristics of the other cities on the short list, and none of them are the same as each other. The key characteristics that we believe differentiate the need for a social impact of this, are a dense urban population with characteristics of disadvantage and deprivation. As I said in my submission, Blackpool is the fourth densest built up area outside of London. The advantage we have of this dense urban population being tightly constrained within Blackpool and indeed on the urban Fylde coast, which has this 260,000 population, it not only allows the impact to be seen on a population which is as typical as anywhere is typical across cities in the UK, but it makes it easily able to be

measured, because of its tightly constrained nature. In addition that, because we anticipate 90% of the people coming to the casino will be from outside of this urban conurbation and because we will have measures in place with the operator to look at the impact on those people, will be drawn from both local, national and regional context. We will therefore be able to look at social impact on a population which is coming from a wider area. It is our contention that if there is to be a population which will see a negative impact in terms of accessibility to gambling of this nature, it is a vulnerable disadvantaged and deprived population. And in that key characteristic, Blackpool and particularly inner parts of Blackpool where we've carried out our benchmark in order to establish the starting position, is easily able to demonstrate, we're easily able to look at the impact on that population.

PROF STEPHEN CROW: Could I just stop you there because some people have that Blackpool is too small to be a good place to test social impact. You will appreciate that you are the smallest of the six, and all the others are big conurbations or bits of London, or whatever.

MR STEVE WEAVER: People from a sort of conurbation. When the key issue is, can you measure impact on people who it might have an impact on for good or ill, and it is actually that tightly constrained nature of our urban city population which has the same characteristics of an urban city population, allows us to measure better, I would contend, than a larger area. The fact that with an operator we will be able also to look at the impact on a population drawn from a much wider catchment area, I think gives us a double advantage in being able to look at that.

PROF STEPHEN CROW: Thank you. Some of the other places have drawn attention to their, what in their opinion, is wonderful data bases, and so on that any future social researchers can take advantage of. Do you want to comment on that, in comparative terms?

MR STEVE WEAVER: Well, my only comment is what we've done. We've carried out a social impact assessment, Lancashire University did this on our behalf. We carried out a survey to establish a benchmark in terms of gambling prevalence and problem gambling within Blackpool and the Fylde coast, but with a heavy concentration looking at extra survey work done within the most disadvantaged parts of Blackpool. What that survey actually did show was that there is very little difference in gambling prevalence in Blackpool and the Fylde coast, than is the typical British average, despite the fact we have three casinos, despite the fact that we have over 5,000 cash prize machines on the front at Blackpool, and you would say, therefore, maybe access to gambling is much more easily available here than in many other areas. Despite that, that survey, that benchmark survey which we have established, which will allow us to test impact going forward, establishes we only have round about the average in gambling prevalence. At the same time, as a local authority, as I'm sure all local authorities do, we collect socio-economic statistics in relation to our super output areas, our wards and build them into different neighbourhoods, which will allow us to measure trends over time, as we do now, to see how Blackpool has changed over the last few decades and changes each year. That is part of our normal measuring process which we'll be able to introduce into this.

PROF, STEPHEN CROW: Thank you very much. Is there anything more you want to say on that best test of social impact; we'll be talking about social considerations generally in a minute or so?

MR STEVE WEAVER: I don't believe I have anything more to add at this time.

PROF STEPHEN CROW: Thank you very much, Mr Weaver. Ah, Councillor Bate, is it Councillor Bate, isn't it?

COUNCILLOR BATE: Yes. Yes, on the measuring of it, we do have a very large transient population. Now you may be able to say that because they're transient and they haven't got a lot of money, maybe they won't develop a problem. But will it not be very difficult to measure the problem of these transient people.

PROF STEPHEN CROW: By transient people, you mean people coming for holidays and business, do you?

COUNCILLOR BATE: No, no we have many thousands of people who are, for various reasons, attracted to Blackpool because they perhaps think they can get a job in an amusement arcade, or in a bar, in a hotel, and they find they can't. They find that they can't afford to pay the rent and so on, sometimes they become homeless, sometimes they sleep on a couch. There's actually a term for it.

PROF STEPHEN CROW: I see. Have you any data, statistical data on this?

COUNCILLOR BATE: Well I'm Chairman of the Homeless Scrutiny; apparently we are just doing that at this very moment, Chairman.

PROF STEPHEN CROW: Thank you, well if you could let us have that. If you are familiar with the data on this subject?

MR STEVE WEAVER: Yes, Professor Crow, yes I am, and Councillor Bate is absolutely right, there is an issue of transience in Blackpool both moving in and out and around Blackpool. It is one of the reasons why we are saying, we are a best test, because it is a transient nature of the population is shared by the cities that you've also looked, on the short list. Manchester, for example, in terms of turnover in schools, which is one of the measures of transience, has a, the same slightly higher level of transience than we do in Blackpool. It is actually one of the characteristics that we share with the cities.

PROF STEPHEN CROW: Thank you. Councillor Bate, do you want to continue on this theme?

COUNCILLOR BATE: How are they going to measure the problem, because this is the whole point, it's a trial

PROF STEPHEN CROW: That's a rhetorical question I take it.

COUNCILLOR BATE: Well they haven't made any efforts to so far, that's my concern, Chairman.

PROF STEPHEN CROW: OK, thank you. Mr Biesterfield.

MR DAVID BIESTERFIELD: Thank you. Just picking up on that issue of transience, if I could draw your attention to para 4.4.4 in our original submissions, which in turn draws attention to Blackpool's written evidence to the ODPM, prepared in April 2006, in which it acknowledged the very high levels of transience in this particular area. The evidence we've submitted from Professional Mark Griffiths of Nottingham Trent University, one of the foremost experts, as you know, in this field, deals with this issue too. It's one of the number of factors which, in our submission, makes Blackpool a highly unsuitable place for testing the impact of this sort of casino. Can I have a, go back to the beginning on this topic, generally? As I say, much of what I say is set out in the written documentation, which you have.

PROF STEPHEN CROW: This is the tip of the iceberg thing, isn't it?

MR DAVID BIESTERFIELD: It is, the iceberg, I'm afraid. But can I just make a general statement because I'm conscious in the proceedings today I'm going to be accused of perusing objections out of self interest. Can I say that, of course, that's broadly right, but may I say that I think, and I suspect you will agree with me on this, from what I know of the other cities and the other bids. I think this situation is slightly unusual because this is the only occasion that I am aware of, where an objector has fielded detailed empirical evidence from acknowledged experts in their particular fields, in the form of economic consultants, and as I say, Professor Mark Griffiths. And I obviously know that you will read carefully their reports, because all of this material is summarised in considerable detail, and in far more detail than I'll be able to deal with it briefly now. But in summary, what we say is this. We say that Blackpool's original position, whereby it was suggesting that it would be a good test for social impact, because it could test the impact on this contained population, within Blackpool, which on the bid's case, will amount to 10% of the visits to the casino. So will only give a tiny proportion of the overall visitation. We say that can't be a sensible way to proceed, although I do know that Mr Weaver today presented a slightly different suggestion which was that it would be possible to test the 90% too, but I'll come back to that. Dealing first with the 10%, the bid document itself, but also as you will see from both the NERA report, I think it's Section 3 and Section 5, and Professor Griffiths' reports, both the main one and the supplementary report, which you received with my apologies late last night. You will see that there is no dispute between both sides of this room that the immediate population that will be most directly effected by this proposal has all the socio-economic indications, which are not only well out of kilter with national averages, they are significantly out of kilter, so far as we can tell, with the profile of the other bid cities. They represent, as I say, all the concerns which are most associated with problem gambling. And in addition to that, although Blackpool's bid does not produce, as far as I am aware, any analysis of the socio-economic profile or the demographics of the 90% who will come from elsewhere. I think it's a pretty fair bet to assume that the profile of the 10% will be significantly different to the profile of the 90%. So to the extent that one is expected to test this, the impact of this proposal, on that 10% then whatever the results, they are highly unlikely to be instructive in assessing the impact on the 90%. That is, if you like, the first

point. The next point I would like to make is that plainly the Council say to you, and Mr Weaver spent some time on this. But the Council have pursued their line on social impact on the back of very extensive and sound research and documentation. And as I understand it, there are three principal, sorry 4 principal documents on which they rely. There is a document called An Integrated Appraisal, which goes back some time. It's not, I suspect, the document of which you've had sight. We obtained a copy through a freedom of information request. I haven't copied it, because it's several pages long and having to generate copies for all the people in this room was going to be pretty heinous task, but I am sure the Council may have something to say about it. But it's plain for our reading of that document was all it was, was a scoping meeting. It cannot be relied on as a piece of empirical detailed research. The second document which they rely on is the sustainability appraisal which was done in the context of the local plan. Now, again, this is a document which, in our submission, is open to significant criticism. But critically, and this emerges, I'm afraid, in a number of areas, on analysis of this bid. At page 33 of that document, the document incidentally was prepared by some independent consultants called Heida, and the instructive part is this. They say at para 6.1, under the heading The SPD Interim Assessment. Incidentally the SPD is this strategic planning document, which is in effect the development brief for the casino conference quarter. My company made representations in relation to that, but those representations were rejected. Heida say in this passage, the SEA directive, which you'll know, Professor, but others may not, is the strategic environment assessment directive.

PROF STEPHEN CROW: Yes, well I know all about it, yes. In so far as anybody knows all about it.

MR DAVID BIESTERFIELD: Others may not, I suspect. It's very, very obscure. But nevertheless it requires, according to Heida, requires I emphasise, the assessment of alternatives to the plan, i.e. the SPD. The decision to develop the site, as a casino and conference quarter, say Heida, was taken during the writing of the local plan, and therefore limited the number of alternative options that could be assessed. Now, it's rather more than a limitation. The local plan documentation effectively rules out anything except casino development. So one of these critical documents, upon which the Council place so much stress, is self-admittedly in conflict with the SEA directive, because it doesn't put forward an alternative.

PROF STEPHEN CROW: Yes, before we develop that point further, where has the local plan got to?

MR DAVID BIESTERFIELD: The local plan is adopted, but it is under challenge from an application that my company has made. Those proceedings were issued some time ago, and are presently before the High Court.

PROF STEPHEN CROW: For that reason is it?

MR DAVID BIESTERFIELD: No, the foundation of the challenge is this; at the time that the local plan enquiry concluded the law was still in a state which enabled Blackpool to suggest to the local plan enquiry, as they did, that they reasonably expected to get at least two casinos, and because of that a view was taken as to the size of the necessary area in the CCQ to accommodate that scale of development. By the time the inspector delivered his report, later in the year, the law had changed and the act had in fact, by then, been enacted and we were down

PROF STEPHEN CROW: I see, so what did the inspector say about this point?

MR DAVID BIESTERFIELD: The inspector, I'm just coming on to that, the Inspector therefore in the letter accompanying the report said that he had drawn it, and drawn his recommendations on the basis of the law, as it stood, at the date that the enquiry concluded. In other words, multiple casinos. But he expressly advised the Council to take careful note of the subsequent legislative change. Our submission to the High Court is that the Council have failed to do that, because they have pressed ahead with their policies, exactly as they were, and they haven't trimmed their sails to recognise the new environment.

PROF STEPHEN CROW: I think it would be foolish of this Panel to try and anticipate what the High Court was going to say about your complaint.

MR DAVID BIESTERFIELD: I wouldn't dream of asking you to do so, Sir. But equally that is an important challenge, and it has this effect. As I say, I don't want to predict what the High Court will say about it either. Plainly we think we've got a good case, the Council don't. Nevertheless, if our claim succeeds the effect of the policy, of the claim, the success of the claim will be to quash

policies RR5 and RR6.1, which are the central policies upon which all of this depends. What the Council will then need to do is to re-open, well basically they're going to have to start again on those policies. They'll have to re-draft them, go back out to consultation and they'll have to be a further public enquiry at which various people may or may not ...

PROF STEPHEN CROW: Yes, they might just get tangled up in the change from local plans to local development frameworks, and all that sort of thing.

MR DAVID BIESTERFIELD: You're no doubt, more of an expert on this than me.

PROF STEPHEN CROW: I wish I were.

MR DAVID BIESTERFIELD: But having said that, my understanding would be that this is an old style local plan. The remainder of its policies will have been adopted and it will be a question of ...

PROF STEPHEN CROW: So what they're doing, in so far as they are relying on this particular issue, you're putting a question mark against it.

MR DAVID BIESTERFIELD: I'm putting a very substantial question mark against it.

PROF STEPHEN CROW: Yes, thank you.

MR DAVID BIESTERFIELD: It has a feed through to the regional position, but we'll deal with that later on. The next document on which the Council rely to back up their position on social impact is the Ipsos MORI survey. Now, all I need say about that is to draw your attention to end note 37 in the bid document itself, in which Ipsos MORI make it very plain that their findings on the base prevalence survey, which they say is about .7%, a little bit above the national, generally accepted national average. They say that their findings are however not to be relied on. Because the statistics that they used, or the size of the survey they pursued were statistically inadequate. They go further in the document itself, which I don't have immediately to hand, but again you'll no doubt read it. The document is summarised because we didn't have it when Professor Griffiths did his first report, but we had it, and that's one of the reasons he's done a supplemental. But at the top of page 4 of Professor Griffiths supplemental report, in which he's dealing with this, he quotes from the report what Ipsos MORI themselves say; "great care must be taken when drawing conclusions from this result, as it is based on a very small sample size. The number of problem gamblers is very small, and as such results must be viewed with care." Now, Professor Griffiths argument on this is, bottom line is, we just don't know what the present prevalence rates are in Blackpool. But it's another reason why great care should be taken in relying on that particular aspect of the Ipsos survey. Finally, sorry, one more document. And that is the Lancaster University survey. Now, again, that survey is criticised by Professor Griffiths, again in his supplemental report. There are two threads to the criticism, well a number of threads actually, but the two I'll pick out at this stage, while inviting you to read the document in full, is firstly that they compound rather than resolve the statistical weakness of the original Ipsos MORI survey. So they don't do any further research to overcome the statistically inadequate base for setting the initial prevalence rate. Secondly, and I leave this, I say this with caution, but Professor Griffiths, who I say is highly eminent, takes a number of very serious points about the impartiality of that report. And he believes that there are conflicts of interest of a significance nature, which seriously undermine Lancaster University's stance, and indeed role in this entire project. So we take the view that the basis of this research is deeply flawed.

PROF STEPHEN CROW: Do you want to respond to these points, as they come up, Mr Weaver, or save them up for perhaps when we've dealt with the other points on this issue, on the other side.

MR STEVE WEAVER: I'm in your hands, Professor Crow.

PROF STEPHEN CROW: I think it might be easier actually, if you were just to make a note of the points you were wanting to respond to, and then I'll deal with, I'll hear all three people on the other side.

MR STEVE WEAVER: The one area which I'm happy to deal with later, is the issues that Mr Biesterfield has raised, that's the local plan and the challenge, which in our view is flimsy to the point of being unsubstantial, and would like to come back on that, if not now, at a later date.

PROF STEPHEN CROW: I think we would all be very foolish if we tried to anticipate what the High Court was going to do with this, and frankly I'd rather keep out of it. I'll just note the challenge.

MR STEVE WEAVER: I would like, therefore, at least for you to note, Counsel's opinion that we've had from the leading planning silk in the country, with regard to that.

PROF STEPHEN CROW: Can we have it briefly?

MR DAVID BIESTERFIELD: Can I say that if we're going to do that game, that's one of the reasons your secretariat will know that we asked for Mr Philips to be present at this enquiry, and we were declined that, so I'm not in a position to rebut what Mr Weaver says, and I don't think it will be reasonable for him to proceed in that way.

PROF STEPHEN CROW: Yes, can we just leave it that Counsel's advice is that it's flimsy, is that right, does flimsy appear in Counsel's advice? Can you sum up Counsel's advice in one word, or at the worst, two?

MR STEVE WEAVER: Right, if I can just quote from Mr Katkowski's legal advice. "In my opinion the grounds of challenge are flimsy to point of being utterly without substance, and in due course will be dismissed by the High Court".

PROF STEPHEN CROW: Thank you. And you take the opposite view? Well I really don't want to go further.

MR DAVID BIESTERFIELD: I quite agree. I can only tell you that Richard Fell QC is every bit as eminent as Chris Katkowski, both of whom I know extremely well ...

PROF STEPHEN CROW: Could I just ask you all to remember that it's Friday, and there's a lot to be said for spending the weekend in Blackpool, but we've all got homes to go to.

MR DAVID BIESTERFIELD: I don't want to prolong this but you understand the point, we plainly have different advice.

PROF STEPHEN CROW: We have actually strayed off the point about best test of social impact, and I wonder if we could speak to, if Mr Edwards would speak to us, and perhaps get us back on the point.

MR MICHAEL EDWARDS: Yes, I'm obliged, Sir. I would endorse all the comments and evidence that Mr Biesterfield has given to you, earlier. And what I would say that this location at Central Station site, is the worst possible location. I'm Chairman of the Revoarea Forum. This is a body which a conduit between the Council and the local residents of three inner Blackpool wards. It's an opportunity for the residents to make their views known to the Council and to take suggestions to them. One of those three wards is Bloomfield ward. That ward is immediately to the south of the location. It is an area that contains the largest number of the transients that we mentioned, in the whole of Blackpool. Blackpool, the particular area is also in the top ten, giving every measurement that you can of social deprivation in the UK. That's Bloomfield ward. Blackpool itself, the Council has a very poor record of dealing with those transients and the deprivation in that ward. Bloomfield ward, unique amongst any ward in the town, is entitled to every government and European project grant that you can name. Other wards have entitlement to one or two of the awards, and we are talking about NRDF, ERDF, Objective II. Blackpool has had over the last few years, since it embargoed on this casino project, almost 20 million on SRV 2, almost 20 million on SRV 6, 10 million on ERDF, NRDF funding, not one project has been done in Bloomfield ward, during that period. So I say that if Blackpool Council is saying that any funds that might come from regional casino will be directly to this thing, its track record is extremely poor. And the location could not be worse.

PROF STEPHEN CROW: Do you know the reason why there should be so many transients, is it about the property there?

MR MICHAEL EDWARDS: The reason for this is that in the particular area we have, we've had something in the order of 7,500 small boarding house, to hotel accommodation in the past. Over the past decades, past two decades that number has been reduced to something just above 3,000. What has happened is that the properties that were small hotels and boarding houses, they've been converted into residential, well HMO, houses in multiple occupation. They provide very cheap accommodation, and that's the reason why transients, as they're described have been attracted to this area. So this area runs from Chapel Street, immediately to the south of the site, through to Waterloo Road, Promenade to Seaside Way, and that was the area, the major area of boarding houses in the town.

PROF STEPHEN CROW: The thought does occur to us that what you're saying could actually make for a good test of social impact, because if the proposed casino were to make things worse,

then that would be fairly easily recognised, equally if it were to make things better, then that also could be recognised.

MR MICHAEL EDWARDS: Yes, as I understood it, Sir, the government was not keen that there should be a walk-up situation for the most poorly ...

PROF STEPHEN CROW: Well, there's a lot in the research about that, that we don't know about, of course, it's something we will explore in a minute or two.

MR MICHAEL EDWARDS: You know, they are from twenty yards through to half a mile, to walk into these locations. But this shouldn't be visited on them. This is totally the wrong site for it, and for other reasons, which will come out later, I'm sure.

PROF STEPHEN CROW: Thank you very much. Mr Sagar has a question of somebody.

MR DEEP SAGAR: Thank you, Mr Chairman. If I could ask Mr Biesterfield, you mentioned the Ipsos MORI survey, I might take the point that it may not be statistically significant, but would you have better evidence that exists anywhere across, in Britain, to suggest that problem gambling is at a higher level in Blackpool than the rest of the places which have had casinos. Or that, there is evidence that if a casino came here, problem gambling here would be at a higher level than other places in the UK, in Britain, that we might be considering. Thank you.

MR DAVID BIESTERFIELD: There are two question, I think rolled up in that, Mr Sagar. As I said in my original answer. Absent, a proper prevalence survey in Blackpool, nobody knows is the simple answer. I don't know, the Council don't know, Ipsos MORI don't know. You'll see in Professor Griffiths report that he speculates, that he would expect, given the focus of existing gambling products and the social indicators in the town, that problem gambling may be higher than the national average. But we don't know. His point is that either way Blackpool's a bad test. If it's, if the levels are unduly high, then it's not typical.

MR DEEP SAGAR: If we just confine ourselves to what the evidence says, I appreciate that you've given us your opinion.

MR DAVID BIESTERFIELD: Just as you haven't obviously had the opportunity to read the Professor's evidence, I thought it might help you to know what his basic point was. But the other point that you raised was, is there any evidence of what the impact of this would be? And the answer to that is, of course, there is, and if you again, I'm not going to go through it in detail, and I suspect you've heard this in other forums anyway, but my understand of international research is that in every jurisdiction where large numbers of unlimited of stake and prize majority, category A machines in this case, are available, then problem gambling rates are at least twice the level that they are in this country with the existing provision of fruit machines and other gambling products restricted as they are. And so that evidence, clearly points to the fact, and indeed, Pion Economics have themselves acknowledged this in one of their reports, Professor Griffiths acknowledges this in his reports, and NERA do so as well. All the indications are, that on the basis of the available evidence, yes, this proposal with this type of machines, untested in this country will lead to a significant rise in problem gambling rates. Particularly because of the location of this particular regional casino, which differs, by virtue of its very central location, from most of those which I understand you've considered over the last week.

PROF STEPHEN CROW: Thank you. I think Councillor Bate wants to speak to your point as well, Mr Sagar.

COUNCILLOR BATE: Yes, please. It's all about measuring it, and my point is, they haven't made any attempt to measure the problem gambling situation in Blackpool, because they haven't spoken to the only organisation in Blackpool that knows anything about it. And that's the local Gamblers Anonymous. I've been to one of their meetings, I've been in contact with two or three of the people there, for in excess of 5 years. Why haven't they spoken to them? I think it's because they want to hide the situation, so that they can juggle the figures. That's the problem. The local college and Lancaster University's been mentioned. They do not know anything about the real situation. It's very, very busy is the local Gamblers Anonymous, very busy indeed, and it's going to get a lot busier. They won't measure it properly. Now, when it's been open a year, or when it's been open three years.

PROF STEPHEN CROW: Have you any reason to believe that this is a particularly bad problem in Blackpool, compared with other parts of the country? I mean, obviously, you know, when

anybody's got a problem locally, you know, one's own problem is always the worst in one's own town, but beyond that have you any reason to believe that it could be very different?

COUNCILLOR BATE: I just believe it needs a lot of in-depth, Chairman, which hasn't been done, which I've been asking for, for 5 years.

PROF STEPHEN CROW: OK, well I've got that point. Perhaps we can turn to Mr Weaver. Mr Sagar wants another question.

MR DEEP SAGAR: All I'd say here is that all research that Blackpool Council have submitted, like including Ipsos MORI, by and large repeat what national research has said, for example, 70/72% gambling incidents in the population at large, roughly speaking 7.8% problem gambling, and when we look at problem gambling most of the research does not suggest it's related directly to casinos. So I think if we had evidence, and I can appreciate, like others would, you can talk to other people. But if you had evidence that actually something is related to casinos, more specifically, or that levels of incidence are much higher. So that evidence would be helpful. Opinions, of course, we've had. Thank you.

PROF STEPHEN CROW: Councillor Bate, please do, we've wondered off the subject a bit, but do please carry on.

COUNCILLOR BATE: Nobody is suggesting that the existing casinos in Blackpool are creating a particular problem. I've said all along the existing casinos do not cause a problem. The type of casinos that they have in Atlantic City, with all the free drinks, with all the free meals, with all the aggressive marketing, with them being on the door step, that is an entirely new type of gambling, it is the category A slot machines, with the million pound prizes, that is an entirely new sort of gambling. It will be very attractive to the very transient people that we're talking about. Some of them will sadly think they can gamble their way out of poverty. Somebody will, many of them will just use it as a way to pass time. There's a lot of people with a lot of time of their hands in Blackpool.

PROF STEPHEN CROW: Councillor, one of the research pieces that we've come across is research from Australia, where they, as you probably know, they have virtually fully deregulated. And there's evidence there that the churches who opposed the casino perhaps didn't quite keep their eye on the ball, because the worse problems were actually coming from the sort of corner shop, pokies as they call them. And the problem gamblers are finding problems, you know, are getting into trouble, because of this very readily accessible shops and clubs, rather than the very formal casinos.

COUNCILLOR BATE: That's exactly the point, Chairman, in that the situation there is that those machines that I'm talking about are not in big casinos, in the city centre away, they are in the neighbourhoods. The government there, the original government allowed them to be in the neighbourhoods. And the poorest neighbourhoods, the neighbourhoods with the most socially deprived people, and the least educated people, they are the busiest and they are the most profitable pokie parlours, if that's what they call them there. And if you put it here, that's exactly what the situation would be, because there is 30,000 of those people, they're not all, there's a lot of those people within the 30,000 or so that live within walking distance, in Bloomfield ward, in Talbot ward, that's the point.

MR STEVE WEAVER: Sorry, can I make a very quick point, and it follows on the Gamblers Anonymous, and Councillor Bate has referred to Atlantic City, and as at the week from the Council on Compulsive Gambling in New Jersey, with a residential population of 40,000 Atlantic City has 45 Gamblers Anonymous meetings every week. Now, if that isn't an indication of what a resort casino can do to a population, then I don't know what is.

PROF STEPHEN CROW: Thank you, I knew we'd get on to Atlantic City sooner or later, thanks very much. Mr Biesterfeld, do you want to make a quick point before I open the discussion for the other side.

MR DAVID BIESTERFIELD: The quick point is this, which I tried perhaps to make, inarticulately earlier. It really doesn't matter what the position in Blackpool is in terms of the current prevalence. The question is whether or not the people here are the best, or the location is the best possible test for elsewhere. For it to be a decent test, it's got to be typical of the places that are going to be tested against it in due course. On any view, the 10% are not typical of the other 90%, in the round we don't have any idea ...

PROF STEPHEN CROW: I've got that point, you've mentioned it before

MR DAVID BIESTERFIELD: Whether they're going to be typical of other venues.

PROF STEPHEN CROW: Thank you. Mr Froomberg, did you want to ask a question of somebody before we go over to Mr Weaver?

MR JAMES FROOMBERG: Thank you Chairman, just a quick one to this side of the table, and I don't mind which of the three gentlemen wanted to pick it up, but clearly in all the other cities we've been to, we've faced the same issue, where in order to go for the regeneration, people are looking to position their regional casino near to the areas that need regenerating, which perforce include areas of deprivation and unemployment, and so on. So the arguments that you are making, that this is worrying you, in Blackpool, it's not a new argument to us. And we have to make a choice. And I'm putting it to you that perhaps, because Blackpool is smaller than the other cities, that we've heard, that the deprived wards that you are worrying about being adjacent to the casino, is a smaller level of population than in other cities. And therefore, when we have to make a choice, if that is the key problem, it's a less of a problem in Blackpool than it is anywhere else.

PROF STEPHEN CROW: I would warn you that Mr Froomberg only asks can't win questions. But I mean that it must be the case that if you're in a very big city, the adverse effects could damage a lot more people.

MR DAVID BIESTERFIELD: I come back to the typicality point. If you're testing this, let's say in Manchester, with a massive, much bigger and more diverse population, then you're going to be able to test it within an administrative area, more easily. A greater proportion of the customers are going to be from within that area, making testing easier, and the results will be more representative of the likely impact on similar facilities, if there is a phase 2, in other major conurbations, which seems on the basis of the bids that have come to you, to be the main type of area where these sort of facilities are going to be demanded by the market. So Blackpool's very uniqueness, effectively in my submission, makes it a poor test bet.

PROF STEPHEN CROW: Thank you very much. I think I ought to ask Mr Weaver and his team, if he wants to call upon the team to respond to these points, so far.

MR STEVE WEAVER: Thank you, I will, if I can try and remember them. First of all can I deal with the last point that Mr Biesterfield raised. When we looked at the social demographic profiles of the other short listed areas, in fact none are typical of each other, they are all different. What they all share, generally, is a dense urban city population. If you took Manchester, just as an example, I think their profile of young people is significantly different from all the other areas. Their population, as a profile, is much younger. We are as typical as any of those areas are typical. Our sample size is smaller, and therefore much more easily able to be measured. Picking up on a couple of points, we did contact Gamblers Anonymous, we got no response. We do, I'm sorry Professor Crow, Councillor Bate is shaking his head. I can provide evidence of that, it's absolutely true. Gamblers Anonymous work through referrals from places like Citizens Advice Bureau, the Health Service, Youth Offending Team, GP's and social services, each of who we have contact with. We clearly have talked to places, bodies like Moneyline, Citizens Advice Bureau in terms of debt, all of that anecdotal evidence is that there is not a bigger issue in Blackpool of problem gambling, and we've taken extremely seriously the need to understand the issues in Blackpool, hence the Ipsos MORI survey. What I'd like to do, because that survey was challenged is bring in Miss Callaghan from Ipsos MORI to deal with some of the answers of that, but before she comes here, can I just point out the sample size of that was 1,194, the national gambling prevalence sort of survey was 7,608. Surveys of this nature are necessarily clearly samples. But if I can ask Miss Callaghan to deal with some of those issues, around Ipsos MORI.

PROF STEPHEN CROW: Miss Callaghan, please, briefly. I know it's been your life's work, but.

MISS CALLAGHAN: Thank you very much. I would just like to point out, yes, that the survey we carried out, the survey that we carried out on behalf of Blackpool Council, was a very robust and large sample. It was 1,194.

PROF STEPHEN CROW: Mr Weaver, could you put the mic closer to Miss Callaghan, please.

MISS CALLAGHAN: Yes, it was a very robust, and large sample of over 1,000 respondents, carried out in a very thorough and precise manner. Now we found in terms of the prevalence of problem gambling was .7, so only a handful, 11 respondents have a problem with gambling. But

that said, if you look at the prevalence survey, the prevalence was .9, so a little higher, but that's said if you provide the margins of error, it could be a little higher, or a little lower. And the prevalence survey was carried out on just under 8,000 respondents, so about 7 times more. And that's a survey, a national survey across the whole of Great Britain, whereas this is a survey just in the Blackpool area. So I think if you look at the differences between the nationwide survey, and the Blackpool survey there is concluding, there is very little difference. But I was quite right on putting a health warning on the small sample sizes, but even that said, if you look at the sample size of the prevalence survey, that is also small.

PROF STEPHEN CROW: Is this a question of Miss Callaghan?

MR JAMES FROMBERG: Yes it is, and it's one that needs a yes or no answer. Did you ask the same questions that were asked in the national gambling prevalence study?

MISS CALLAGHAN: Not all of them, we asked them DSM questions, and our survey was face to face in home interviews. But, because of the sensitivity surrounding the questions that relate to problem gambling, we had those questions at the very end, and they were self completion, so the interviewer handed over the questionnaire to the respondent, so they could fill those in anonymously and the interviewer would not be aware of their responses, again to ensure that anonymity of the individual's response was crucial.

PROF STEPHEN CROW: Councillor Bate have you a question, do I gather, no it's Mr Biesterfield, do you have a question?

MR DAVID BIESTERFIELD: Only to suggest, with great respect to Miss Callaghan that what she's just said doesn't like easily with the clear statement at page 45 of the survey, great care must be taken when drawing conclusions from this result, as it is based on a very small sample size. Professor Griffiths makes a further criticism which you'll see when you get the document to read, but it's fair that Miss Callaghan has the opportunity to respond. He says, finally and perhaps most importantly, there's two surveys, that's to say Ipsos MORI's survey, compared to the GBGPS, the Great Britain Prevalence Gambling Survey, "the most, the two surveys cannot be compared because of the very different sampling techniques. The GBGPS used random probability sampling. This is the most rigorous and expensive sampling technique, and assures that every person, within a particular population has an equal chance of participating in the study. It is also the only method for which confidence intervals can be given and the only type of sample on which government policy intends to be based". And that's done by research done by Prosdén in 2006. "The IMS only use", that's the Ipsos MORI survey, "only used quota sampling, this is viewed as a quick and cheap methodology that is often used for convenience often over scientific rigour". That was Professor Griffiths view on the methodology. It's not a criticism, they were probably given a budget, or a timescale and that's the only way to do it.

PROF STEPHEN CROW: Miss Callaghan, quick and cheap?

MISS CALLAGHAN: Yes, very quickly. In terms of the sampling methodology, yes you're quite correct, it was a quota sample, but that said, we set very strict quotas across the sampling area, we had 181 sampling points in total. And at each sampling point we set the quota controls, so that the resultant sample was representative in terms of the distribution of age, gender, work status, etc. So the profile of the resultant sample was reflective of the population within the area. Just one other point I'd like to make, if you are looking at prevalence of problem gambling, with an ideal world and with millions and millions of pounds, it would be nice to have a robust sample of problems gamblers to delve in to the demographic make-up of that group. But as you can appreciate, if it is less than one percent they are very difficult to drill down to, and access.

PROF STEPHEN CROW: Yes thank you. I think I've heard enough about this point, thank you very much. Mr Weaver do you want to say something more about the other points?

MR STEVE WEAVER: Just a few things with regards to Mr Edwards who did refer to being Chair of Revoarea Forum. A presentation was does to Revo Forum in terms of these proposals and they were wholly and fully supportive of them. In terms of, in terms of Bloomfield ward not receiving any monies from the various funds that we have had. That is not true, our workless pilot, regional gaming academy targeted training projects, the Central Gateway, Revo Community Centre, the training facility in the football, there are grants to hotels, there's a community nursery. Some of our Blackpool wide projects, which are targeted on vulnerable communities, such as Moneyline, serve the residents of Bloomfield ward. That simply is not correct. I don't think I

would wish to add any thing more unless we, just one simple statement. The local plan in fact was subject to a sustainability appraisals, I think Mr Biesterfield said it wasn't, it was.

MR DAVID BIESTERFIELD: No, I didn't say it wasn't.

PROF STEPHEN CROW: No, I don't think he did say that, he said it wasn't a very good one.

MR DAVID BIESTERFIELD: I said it was flawed, because there's no comparator which the SEA directive requires.

PROF STEPHEN CROW: Mr Edwards, I'm delighted to hear you, but you will retrain yourself from taking up a lifetime of grudges against the Council, won't you? Perhaps I'm doing you an injustice.

MR MICHAEL EDWARDS: You do me a grave injustice, sir, but I must respond absolutely to the comment by Mr Weaver that the Revoarea Forum endorsed it. What in fact happened is Mr Haslem gave a presentation to the Revoarea Forum. We thanked him for giving that presentation, there was no vote, no indication by the members at that meeting. I chaired it, so I know what went on. We thanked him profusely for his presentation, which we do for every presentation we get to our forums, but there certainly was no vote, certainly was no endorsement of it, so that is absolutely untrue.

PROF STEPHEN CROW: Thanks for that clarification.

COUNCILLOR BATE: Since the area forums were set up, I have spent hundreds of hours trying to get a debate, at any of the area forums, I'm obviously the one further north...

PROF STEPHEN CROW: This is one of your key points, I know, isn't it

COUNCILLOR BATE: They have never allowed a debate, they have never taken a vote at an area forum, they have never allowed the people who attend an area forum to hear what we have to say. Always been blocked, that is the most serious problem, the reason why I've carried on on this for 6 years, and it's disgraceful that he should say it was endorsed. I mean, I wasn't at that meeting, I don't know. But that was disgraceful.

PROF STEPHEN CROW: Thank you. Could I just say that whilst it only takes one person to make a good point, it also takes that person only once to make that good point, so thank you very much. We do have Pauline Waterhouse from the Blackpool and the Fylde College.

PAULINE WATERHOUSE: If that's acceptable. Just a word of introduction about the college, Blackpool and the Fylde college is one of the largest colleges of further and higher education in the country and has been designated a beacon of excellence by the government, with centre of vocational excellence status, in three curriculum areas, two of which relate directly to the whole area of regeneration and gaming, and the wider hospitality and tourism sector in the town. The three are customer service quality for resort tourism, building services, both highly relevant, and the third one in automotive engineer. But the point I'd to make is that the college has been working very closely with Blackpool Council and other key stakeholders for a number of years on the regeneration proposals for the town. And I think what we need to say is that one of the unique aspects of Blackpool's submission is the attention that has been paid to the education, training and skills implications of a regional casino being located here. And I think in that respect we differ from the other six short listed places. Now, over the last four years, the college has developed the UK's first training facility for the gaming industry. This was formally launched in purpose built accommodation back in February, but the training facility has actually been operational for over 2 years before that, and as part of this initiative we've recruited staff from the industry, trained others actually within the industry and visited both Atlantic City and Las Vegas in an attempt to learn from the experience of the United States. And at the same time we've been working very closely with the UK casino operators, as well as manufacturers of coin slot machines. And the point I would really like to make is that our effects are aimed at endeavouring to show that a properly trained workforce is integral to a properly regulated and responsibility industry. And therefore, by virtue of Blackpool having made an investment in the training, having had the foresight to invest in training of people who will be participating in this, we will be helping to minimise adverse impacts in relation to the overall area of problem gambling. I'd like to say that we have designed as a college, the UK's first suite of nationally accredited qualifications in the gaming industry. None existed prior to their having been written and then accredited by City and Guilds and EdExcel over the last two years. This will make a phenomenal difference to the standards, the quality standards that we will see amongst those working in the casino industry,

where we know there's a very high turnover of staff and as a result that often leads to low morale and perhaps a lesser commitment to trying to address issues of problem gambling. So I would say that's something that we cannot overlook in terms of Blackpool's submission, and the fact that we have in the Regional Gaming Academy a simulated casino environment would enable us, as we are already doing, to work with health care professional, Gamcare, who have actually designed various modules within our programmes, and come and delivered some of our tutorials to our learners. That would give us a safe and simulated environment in which to actually explore and respond to and research some of the aspects of problem gambling. And I do think that is a unique and fundamental feature of Blackpool's submission, which it is perhaps easy to overlook.

PROF STEPHEN CROW: Well thank you very much for. And I think we'll bear that in mind particularly when we come to speaking about how potential job opportunities can benefit local people. I think, if you don't mind Mr Biesterfeld, I've just looked at my watch, I think when I was opening did I forget to say when we were having breaks, did I really? Oh dear. What I meant to say was that we'd have a break sometime between half past 10 and 11. It'll have to be sometime about 11 now. We were going to break for lunch, also, sometime shortly after half past 12, I think for three quarters of an hour. But we'll break now for quarter of an hour, and then I think after that we'll get well and truly into the social issues, rather than the best case of social impact. So please be back in your seats, promptly by quarter past, and we're adjourned til then. Thank you. I'm glad that these proceedings have led to the reunion of a number of old friends perhaps we've served some useful social purpose in ourselves. Thank you.

So to continue, I think what we want to do now is to, we've begun to get quite into questions of social impact, and I've heard quite a lot about social impact in itself, as well as the question of testing for it. As I said to the press, we're very concerned about problem gambling, and so on. We've heard a fair bit about the problems of ambient gambling from the gentlemen, in the plural, on my left. Does anybody on that side want to say more about the locational points and ambient gambling? I have noted quite a few already, as you know. Yes, Mr Biesterfeld.

MR DAVID BIESTERFIELD: Sorry to come back to you on this point, Professor, but just one point which I think I didn't make clear earlier. It is sometimes suggested that Blackpool represents, let's say for the 90% a more purposive visit than the other locations you've looked at. It seems to me that that's questionable because of the resort nature of Blackpool, another of its unique features.

PROF STEPHEN CROW: I do want to look at that later on today, the economic underpinning of the case, yes.

MR DAVID BIESTERFIELD: I'm looking at this in terms of the ambient aspect.

PROF STEPHEN CROW: Yes, of course.

MR DAVID BIESTERFIELD: Plainly, it's going to be very ambient, as we see it, much more ambient for locals than in the case of any of the other locations, as we understand them, you'll know more about them than I do.

PROF STEPHEN CROW: Well, we have taken it up everywhere we've been.

MR DAVID BIESTERFIELD: But in terms of visitors, you have to remember in Blackpool, in so far as it's a resort, and the visitors to the town are, once they're here, in a sense, ambient, then if they're in Blackpool for primarily for other reasons, then the location of the casino, with it's category A slots, becomes highly, a highly ambient and accessible opportunity for them, in a way which won't apply to those who are visitors to one of the other big locations.

PROF STEPHEN CROW: Yes, it's an interesting point that. You're perhaps suggesting that people might be tempted away from their otherwise non gambling habits, if they come here, perhaps for bucket and spade reasons even.

MR DAVID BIESTERFIELD: I don't make the point in any way critically. I make it as a point of distinction, as against the other big locations. But that, in essence, is exactly the point.

PROF STEPHEN CROW: So to that extent, of course, Blackpool wouldn't be a resort in the way that we've seen some of these resort gambling, in United States and South Africa.

MR DAVID BIESTERFIELD: Exactly, I mean Blackpool isn't even a typical resort in UK terms, because it has vastly more people coming to it, it has a different profile, it is unique in every sense.

PROF STEPHEN CROW: I think every resort in Britain has been, except for they share one thing in common, and that's they're British resorts, and the subject of our weather.

MR DAVID BIESTERFIELD: My Company operates in quite a number of those resorts, and without boring you all morning with it; we find there are far more similarities between the other resorts, in the main, than there are between Blackpool and those other areas.

PROF STEPHEN CROW: OK, let's get on; I'm my own worst enemy when it comes to wondering off the point. Does anyone else, you made the point about ambient gambling do you want to say anything more, Mr Edwards, or Councillor Bate? Do you want to respond to this question of ambient gambling, I mean the geography speaks for itself, or does it?

MR STEVE WEAVER: In terms of Mr Biesterfield's point on ambient gambling or in relation to locals and ambient gambling.

PROF STEPHEN CROW: In relation to the whole point, please.

MR STEVE WEAVER: Well in relation to locals, I mean we did meet with Gamcare, their view is, taking the national, international picture, that they do not believe these regional casinos will cause any increase, any significant increase in problem gambling because of their containing category A machines, that was their view, they may well have expressed that to you. And that's because of the regulatory environment, the way in which, within the casino, access for under 18's is absolutely not permitted. It becomes a destination experience; it is not a wandering off the street sort of experience. Our view is that the regulatory environment that it is in the Bill, that will imposed by the Gambling Commission will restrict the potential harm from this. The jurisdictions elsewhere in the world, where clear harm has been demonstrated with category A machines, is where they are accessible and where people normally go in their sort of daily life's, and that's where the level of harm is significant. Despite that, we developed and I'll bring Dr Howe in here to talk about this, extensive harm minimisation strategy to ensure, in terms of our local population, with the Primary Care Trust and others, that where there to be any harm, even to one family, or one individual, and we have in place the strategies to protect those people as much as possible. In relation to the ambience of visitors into Blackpool into the resort, I cannot see when people come to Blackpool, as they do with budgets to spend on whatever it is, whether they're going to Pleasure Beach Blackpool, or into the Tower, or whoever else, that there's going to be any increase in problem gambling. As a consequence of this, I can see that it will be a destination that people will chose to go to, if they chose that it's a quality experience and something they'd like to experience when they're here. That will be part of the Blackpool offer. It will bring new people to Blackpool.

PROF STEPHEN CROW: I think I should say that when we visited Star City, we did go behind the scenes and we looked through their data base, and I did promise to forget all the names, which is easy for me. But I mean, they did hold an awful lot of information about everybody that had ever been through their doors. I don't know whether that's fully understood all the way round, but certainly that, you know, we did see that. Mr Mundy has a question of you, Mr Weaver.

MR NEIL MUNDY: Mr Weaver, in addressing the points that you've mentioned, could you also capture the point that whilst the 90%, your proposals says, will come from outside of the Blackpool area, the probability is that they will come from, you know, neighbouring authorities, you mention the 10 million population catchment. How would you address the issues in problem gambling with those people, because it's all well and good sort of dealing with those on your doorstep, but you know, your fellow authorities may well have problems imposed upon them by, as a result of that.

MR STEVE WEAVER: Thank you. Evidence from around the world shows that destination gambling, i.e. people making a choice to come and then going away again having an unlimited budget, limits the potential for problem gambling. We will share our practice with neighbouring authorities in terms of how that might be caused. It is our view that there are many more significant issues that will generate issues round problem gambling, access to the internet for example. But Dr Howe will come in on that. Can I just come back on one of the points, Professor Crow, you made with regard to the information that Star City collect. Indeed, our discussions with operators show that they are very, very good at collecting information. And it is one of the tools we will use with our chosen operator, if we are the chosen location, to ensure that we can monitor, measure, impact in terms of the people who are coming in destinations to see whether or not there are problem issues as opposed to people coming. And it is one of the strengths from discussions with operators, that the level of information they collect can be used in a very positive

way, in dealing with issues around social impact. But maybe if I can bring Dr Howe, he'll be able to talk much more about

PROF STEPHEN CROW: Just before you do, I don't think you've altogether answered Mr Mundy's point, and that is that if 5 years on, 10 years on, somebody wants to test the impact, how do they find this visitors to ask them whatever they want to ask them?

MR STEVE WEAVER: I think the best and the only way that anyone can measure seriously the impact, other than carrying out a national prevalence survey, which doesn't pick out individuals, will pick out the impact, if you like, on the, on Britain. It's through the actual operation of the casino itself and the work that you do with the operator, in order to identify people coming into the, into the casino and the impact that may have on them, in terms of problem gambling. But Dr Howe will pick up some of these issues, when he deals with harm minimisation.

PROF STEPHEN CROW: I mean the answer may be that perhaps it doesn't matter, but certainly as a query. Dr Howe?

DR HOWE: Yes thanks, I'm Director of Public Health for Blackpool PCT and Blackpool Council. We've done a lot of work around this, and just the headline summary is that we believe the benefits outweigh the harms. The benefit clearly in terms of regeneration are central, and local employment. For me, my day job is looking at the health statistics in Blackpool and we have second worst life expectancy in England. And it isn't about the quality of health services, it's about deprivation, the housing, all of those wider factors, and so anything that's going to draw in investment and regenerate the area is going to improve the health and social fabric of Blackpool. Having said that, clearly we have looked into detail at the potential harms, in Blackpool, and particularly around problem gambling. We've heard today, I think, some of the evidence, and we've looked at the evidence, I'm sure you know this, we've heard some evidence quoted this morning, which is one part of the evidence, and I understand that piece of work is by an author that particularly focuses on the risk to children of slot machines. Well, clearly this is in a different league, the new development through working under the good guidelines, good practices will be excluding children. And the evidence from our understanding, and we've looked at it a lot, is that in some areas problem gambling has not increased at all with casinos, in others it has. But it's context specific. So as Mr Weaver said earlier, in places where there's aggressive marketing in a local area, then problem gambling may increase. Now all our work suggests that that's not going to happen in Blackpool. To clarify, we have done an impact assessment on the master plan.

PROF STEPHEN CROW: Is that because you'd make conditions of licensing to that end?

DR HOWE: That's absolutely true, part of it, but a number of elements. I mean we've done an impact assessment which was quoted as a scoping exercise, which is exactly true, that was the purpose of it. Because that, at that stage you can pick up the broad themes that need more work. We've obviously commissioned Lancaster University who are independent, and I stress independent because there was clearly an allegation that's not the case earlier.

PROF STEPHEN CROW: Who funded it?

DR HOWE: It was funded by the Council, yes. But they would say, I'm sure it wouldn't bring in Lancaster that they are independent in reviewing the evidence, I mean we can ask them later.

PROF STEPHEN CROW: Thank you.

DR HOWE: I think that we've done, another impact assessment, we've looked at an impact assessment on the actual casino recently, and we've, of course, gone on to then develop a harm minimisation strategy. So, if you'd like me to go through that. I mean, the five key strands for the harm minimisation, as have already been covered is firstly clearly, regulations in line with good guidance on the casino operator, so good training for operators, self-exclusion rules, I'm sure you know these better than me. And then education, because clearly one of the things that we, of course, are aware about, is the risk to people in Blackpool and so we've worked with Gamcare, and somebody called Takaid, who develop educational materials, to nip it in the bud, as it were, work in our schools. We've also looked at developing services, and as Mr Weaver indicated we have been speaking to Gamcare, supportive of our approach, looking at some of the work at all levels, so the brief intervention work where we get all of our workers in Blackpool to identify and help people at early stages if there's a gambling problem. And also to develop counselling services for people with more severe problems. We are working on monitoring; I mean this is a central part of it, of course. It's about monitoring the impact in Blackpool and beyond. In

Blackpool, of course, it's slightly easier on the resident population we have. We can measure a number of areas, and I think this has to be linked to our local area agreement, where we are measuring the impact, or able to measure the impact of regeneration on the community and number of themes on educational attainment, on crime, and Chief Superintendent will be able to speak about that later. We're able to measure levels of domestic violence, and all the potential impact. When we've looked at it, because problem gambling isn't likely, there's no evidence it'll increase, in Blackpool. So therefore, the proposed impacts like you read, about suicide and substance misuse are not likely to increase substantially in Blackpool. That's what all our evidence is saying. But, working with Lancaster University we need to develop a gambling observatory. And I understand Lancaster have bid, and I think have been successful in getting a grant to do that. Of course, we'll have to work with DCMS. The issue of monitoring outside Blackpool, I think we have to be fairly pragmatic. We can identify hotspots, working with the operator themselves. So we can work out where gamblers are coming from and work with those authorities. We can work with Gamcare and those providing counselling, to look at where they're gambling and do some work there. The issue, of course, around the Fylde coast, we can do much more directly. Now I work for Blackpool primary care trust, as you know the health service is in a major state of organisation as the moment. A new organisation starts on 1st October, for the North Lancashire Primary Care Area, and that will be an early conversation we can have to see whether they can start to develop services in the same way that we are. Perhaps I'll stop there.

PROF STEPHEN CROW: Thank you. Mr Biesterfield, has everything he said struck you as right?

MR DAVID BIESTERFIELD: You'll be rather surprised to hear, no. But a couple of points, back to what Mr Weaver said, this process is redolent with assertions being attributed to other bodies, without necessarily that being backed up. As far as I know Gamcare are not here specifically supporting this bid. My Company, directly and through its trade associations has contact with Gamcare. I would be astounded if it was Gamcare's view that regional casinos will not increase problem gambling. Their experience in relation to FOBT's which you will have heard about, no doubt, elsewhere is that that has had a material impact, and those machines, located in betting offices, of course, are a little bit of a precursor for the category A machines, in a sense. I would be very surprised if Gamcare took the view that Mr Weaver's attributed to them.

PROF STEPHEN CROW: Do you, I mean what do you make of the point that a lot depends on the marketing of the casino, and so on.

MR DAVID BIESTERFIELD: The point I make on that, Professor, is that it is, to me, as a commercial operator, living in the real world is that it is entirely unrealistic to assume that this casino, billed as it will be as the only one in the country, is not going to market itself as hard and as fast as it possibly can.

PROF STEPHEN CROW: Well marketing can be fairly selective it, can't it? I mean they could market it nationally and internationally rather than being as a good place for Blackpool people to do go.

MR DAVID BIESTERFIELD: Well I'd be amazed if they are able to restrain it from marketing locally. But even if they do, just marketing on the national media, the national media broadcasts in Blackpool, just as it does everywhere else. So I don't accept that they are going to be able to keep a lid on marketing it so that the good people of Blackpool are mysteriously kept in the dark.

PROF STEPHEN CROW: So you don't think there's much in that point at all.

MR DAVID BIESTERFIELD: I don't think there's anything. There's an important operational point which is easily overlooked, and it comes back to your comment about what you saw at Star City.

PROF STEPHEN CROW: Star City didn't, I mean it was part of, I don't really know it but my impression of it was the casino element in that particular little piece of urban redevelopment didn't stand out very much, as against say the cinema next to do and the ten pin bowling, and so on.

MR DAVID BIESTERFIELD: I don't think it does particularly stand out, but the point I wanted to make with you was about the data. Two things to say, first of all in relation to casinos, there's a sort of supposition that comes out in a number of places in the Council's documentation, that somehow casino operation is vastly more sophisticated than any other similar operation in the gaming business. As the operator of Coral Island, I can tell you that our operations are pretty

sophisticated too. But more generally, and this is the important point in terms of tracking what happens about the players, with a casino it's perfectly correct to say that because of the need for identity, which will apply to this as it does to all casinos, no more no less. Because of course, the punters identify themselves when they exchange cash for chips which they use at the tables, it is quite possible to track playing habits on the tables. But on machines, that doesn't apply because when customers are playing with cash, the casino has no way of relating the cash spent back to an individual customer. The only way you can do that is the extent to which particularly machines operate particular loyalty provisions which involve putting in some sort of identification card. That, in my estimation will be less the case in Blackpool, because of its resort nature, than it will be in say, Manchester, or elsewhere. But it is simply inaccurate to suggest that you will, through the casino's records be able to chart distant effects of machine play, where the machine play is cash driven. And it's a very important distinction given the emphasis on the 1,250.

PROF STEPHEN CROW: There's an interesting question I'd like to ask you there. To what extent do you think the fact that, you know, you're plainly entering a regulated environment and so on, acts as a barrier to people that really shouldn't be there? As opposed to say, going into a betting office, or going into one's local open all hours shop and buying a lottery ticker?

MR DAVID BIESTERFIELD: You mean in terms of the customers?

PROF STEPHEN CROW: Yes, quite.

MR DAVID BIESTERFIELD: I don't think it's going to be a material barrier. It must have some effect, it must be right that a small proportion of people will be, feel freer going into somewhere where they don't have to produce identity than elsewhere. But I think, in the vast majority of cases, if the customer wants to play a particular type of facility, then the fact he's got to produce his driving licence or other photo ID, is hardly going to prevent him. And we do need to bear in mind that whereas last October's deregulation, the 24 hour rule was abolished for all casinos, membership still currently applies. And yet, nevertheless, without the 24 rule, existing casino operators, as all their data confirms and the Gambling Commission's figures confirm, they've all seen significantly increased admission. Increased admissions, lower spend, is the pattern, which is no more than you'd expect. I don't think the relatively limited identity requirement is going to be a barrier to entry.

PROF STEPHEN CROW: Well thank you for those.

MR DAVID BIESTERFIELD: There was one other point, just two other points I think I'd like to make. Firstly, this thing about training, I'll just quickly pick up on what the lady from the college said. Great, delighted Blackpool's got the college it has, I think the training academy is a great idea. But my point on it is that does not give Blackpool some unusual advantage. The college is set up now, it caters, as the lady emphasised, for a national market. Its teaching croupiers and pit bosses, and so forth and managers for the national industry. And that's a jolly good thing. But I don't see why that makes a special case for Blackpool. The other point on the training aspect is this. Again, the bid is redolent with the suggestion that somehow the training in Blackpool, because of this casino, and for this casino is going to be in some way unusual. All operators, it doesn't matter whether you're operating an arcade, a casino, a betting office, they're all subject to the same top down influence of the new regulations under the Gambling Act. We're all going to be faced with mandatory default conditions on our operating licences about social responsibility. We all have already intervention policies. We have all this stuff at a practical level, and in so far as it's going to come in greater waves, as I'm sure it will, it's going to come and it's going to apply whether you're operating an ordinary casino or a regional one. And I don't see this pitch that the Council are making, that somehow there's going to be a huge unique advantage attaching to this particular casino. It's not the case because the legislations driving on top down process, and that will apply everywhere. I think that's all.

PROF STEPHEN CROW: No, that's alright, if you remember it later you'll raise your thing. Mr Froemberg has a question of you, I believe.

MR JAMES FROOMBERG: Yes, just a very brief one, Mr Biesterfield please. You mentioned reference to working through your trade association. Am I right that's BACTA?

MR DAVID BIESTERFIELD: Well it's a number of them actually, it BACTA, which is the British Association of Amusement Catering Trade, sorry the British Amusement Catering Trade's Association, which is basically the fruit machine industry. There's the bingo association because

we're in that business too, and there's BALPA, which is the British Association of Leisure Parks, Piers and Attractions, which we're also in.

MR JAMES FROOMBERG: Thank you very much.

PROF STEPHEN CROW: Yes

COUNCILLOR BATE: Gentleman, one point, and one question of the doctor, and one question of the Chief Executive, if I may? The point, Gamcare has been mentioned many times in the last 20 minutes. They know of me, they invite me to all sorts of things now, but unfortunately I haven't got the money to go to their events, and they even allowed me to write a few words in one of their documents, but my experience from speaking to Gamblers Anonymous people, people who are reformed gamblers or who are trying to be reformed, their opinion of Gamcare is that it's about as much use as a chocolate teapot. They get no help whatsoever on their helpline, they talk to somebody nicely for a few moments, and then pass them on to Gamblers Anonymous. They are a veneer, a fig leaf of respectability for the gambling industry, Gamcare. They are funded entirely by the gambling industry. I was on a television programme, Killroy I'm afraid, but I was making my point, Gamcare made a 20 second point about the programmes, and then proceeded to say how wonderful it would be if there were unlimited number of super casinos everywhere in the country. They are sadly, funded and paid to do as they are told. And they are no use at all. That's a comment. If I could ask the doctor, would you agree there is no treatment whatsoever, is there now, in Blackpool or even in the North West for problem gamblers?

PROF STEPHEN CROW: Is that the case, Dr Howe?

DR HOWE: Some people will be looked after in some of the services, within health services. There are no specific services. I think that's probably right in the North West. This is a chronically underfunded and developed area, which is why we're looking into it. Just to respond, I mean I was there at the meeting with Mr Weaver when we met the Chief Exec of Gamcare, Geoffrey Godbold, who did indeed say that he doesn't see an increase in problem gambling as a result of casino, much more worried, and I understand Gamcare's chief concerns are about the internet, not about the regional casinos, and the smaller arcades. So their chief concern is about arcades.

COUNCILLOR BATE: It's nothing to do with the fact they don't get any money from the on-line casino companies, is it?

PROF STEPHEN CROW: Well, I don't know, I think I've heard pretty well everywhere we've been about the problems of internet gambling, and quite clearly that's outside the scope of this now.

COUNCILLOR BATE: My question to Chief Executive, interestingly I have been involved for six years, and this is the first opportunity I've had to ask the Chief Executive any questions of any substance. But is it acceptable, supposing it's been open for a year, supposing you discovered that the 1,250 slot machines, because I'm absolutely sure they'll make sure they're all in use as much as possible 24 hours a days, supposing you discovered that 200 of the 1,250 are people who live on the Fylde coast. You do a spot check. Is that acceptable? And if not, what number is acceptable?

PROF STEPHEN CROW: I think that's the sort of question that people don't want to answer, but I'll leave it to you.

MR STEVE WEAVER: I'm certainly not going to answer in saying what's an acceptable level of impact, when I know absolutely that these will bring huge positive benefits. I would just like to say to Councillor Bate, as I did to all Councillors on the Council, I've invited each of them to come and see me individually on any item that they want, indeed I think the great majority did so. I've also offered to speak to his group on several occasions, a group of four, through the leader of his group, on this issue in particular around the master plan, casino based gambling, so those offers were there. I accept we've never met and talked about them, but the offers have been put there.

PROF STEPHEN CROW: Perhaps you will some time, I think meantime I don't that's really something for this Panel, but thank you. I think Mr Sagar wants to ask a question of somebody, who is it?

MR DEEP SAGAR: Thank you, my Chairman, if I could ask the Council, please? If you could bring on, if you don't mind bring on a discussion probably crime with the police, Mr Chairman, that would be my suggestion. But the question I have of the Council is on consultation. From your

various accounts to me it appeared there was extensive consultation and opinion surveys, etc. I'm a bit puzzled to hear voices saying those things haven't happened. What might be the reason we're at this stage, and I thought I was going back to my own experience once that, you know, in an organisation we had consultation carried, why these voices appeared at the end was perhaps we didn't have any evidence that anything got changed, from the start to the end. But that's just hypothetical.

MR STEVE WEAVER: I cannot say why Mr Edwards, Council Bate are implying there's been very little debate in consultation, because it has taken place. This started off with the Council establishing in, right at the very beginning, a scrutiny committee which took evidence from a wide range of people before coming to a conclusion as to whether this route was the right one to go down. I, myself have spoke at, it must be 20, 25 meetings, with different groups. Some of which included 4 or 500 young people at our colleges. That's been replicated by my colleagues through the local plan, leaflets were put through everybody's door inviting objections and opinions. A local plan which specifically including, not just leisure developments but sort of regional, regional casinos. We've carried out with our citizen's panel, as I referred to in submission, a survey and consultation through that. We've carried out two statistically significant surveys. As I mentioned it has been front line page on the Evening Gazette on 16 occasions from 2001. In terms of people's awareness about Blackpool and this issue and an ability to comment to us about it, every avenue has been given. The Council elected members themselves, which number 42 in total, have gone through an election, after the master plan had been produced, when this issue could have been raised with them. They're in touch with their constituents much better than I am. And overwhelmingly, the Council across all parties is fully in support of this, so I cannot understand, 'cos I don't know what more we could have to done to engage the people of Blackpool in this issue. There will be, and I understand that, and I think I respect those views, people who have strong moral and ethical objections to gambling, and objections to this kind of gambling, and it is not, their views will not be altered, and would not be changed as a consequence of this consultation. What did come out of our consultation was the strong desire, in fact the insistence that the people of Blackpool, and on the Council that they would only want this if it was part of a transformation programme, about Blackpool, to create this great resort and prosperity, with us taking every step that we can to ensure that any harm is minimised for the people of Blackpool and the benefits are maximised in the terms of prosperity, jobs and changing the nature of Blackpool. And that's what we've been doing all of this time.

PROF STEPHEN CROW: Thank you very much. I think just before I take Mr Edwards, I think I would like to hear from Mr Cam of the Blackpool Business Leadership Team. Mr Cam. I've got your name right, have I?

MR DAVID CAM: You have indeed, sir, thank you very much. Can I just make a short comment about Gamcare, because Mr Biesterfield and Councillor Bate have been very dismissive of Gamcare as an organisation. I, by the way, am a director Blackpool Pleasure Beach and also Chairman of BALPA, the British Association of Leisure Parks, Piers and Attractions which was mentioned a moment ago by David Bisterfield as one of his trade associations. And I know that Gamcare was set up at the behest of the DCMS and paid for by the industry, as it still is, because the DCMS asked the industry to pay for it. And I believe that the DCMS hold Gamcare in the highest regard. The industry does not control Gamcare, it is wholly independent, and I wanted only to endorse what Dr Howe said a few moments ago, which I would have said, if he had not, because I said Mr Godbold when he visited Blackpool last month, in the evening, and I can only confirm that he said, at the time he had no concerns about the possibility of increased prevalence of gambling addiction in Blackpool as a result of the casino, and saw no problems whatsoever.

PROF STEPHEN CROW: Thank you, Mr Cam. Yes, go ahead.

MR CHRIS COLLISON: Mr Cam, you mentioned as well as Blackpool leadership team you were director of Blackpool Pleasure Beach, i.e. an existing leisure facilities operator here in Blackpool, a rather major one as well. Do I gather the fact that you're over there on that side of the table that you're in favour of the proposal to site the regional casino?

MR DAVID CAM: Very much so, sir, but that said, we are spread around the table, it's not all one sided.

MR CHRIS COLLISON: I realise that not everybody over there is in opposition, and so on.

MR DAVID CAM: But I am very much in support of the regional casino initiative. Yes sir.

PROF STEPHEN CROW: Are there very quick points, because I do want to get on to the question of jobs and that sort of thing.

MR MICHAEL EDWARDS: A very quick one, sir. Mr Weaver has referred to the Gazette coverage of the regional casino or the resort casino debate, and what we've been subjected to basically is stuff like that, and headlines, as he's referred to the headlines, 91% say yes to the super casino. When you learn that that 91% is a response of something of the order of 106, 108 people, then that is ...

PROF STEPHEN CROW: Yes, well I don't think anybody is responsible for the press, except for the press themselves, of course.

MR MICHAEL EDWARDS: But he referred to the extensive coverage, and that is what we've been subjected to for the last five years. More importantly ...

PROF STEPHEN CROW: It is irritating when they don't think you're wonderful.

MR MICHAEL EDWARDS: Right. A more important point, sir, is the reference to consulting focus groups and citizen panels, very limited numbers of people, chosen people, not freely admitted to these meetings. But what I would say to this, there's been a consistent call by political parties and other groups for the last 4 or 5 years for a referendum on this. Now Brent who pulled out, after they were nominated as one of the 8, sent out to every resident one of those. There's been every opportunity for Blackpool to do the same thing, have your say, the casino for Brent, and this one is a document that was sent out. Brent is one of the eight places in the country, so it's very recent document. As a result of that, the population of Brent rejected the regional casino for their town. And what I say, it's still not too late for Blackpool to have a proper referendum, not to refer to these very tiny groups, that they've carefully chosen.

PROF STEPHEN CROW: Yes, well I have to take it that they haven't, and you've made the obviously comment on it, haven't you? Mr Biesterfeld?

MR DAVID BIESTERFIELD: Thank you sir. I'll try and keep these points very brief, but I have got a number of them, and I think they're important. Firstly, if I can just deal with Mr Cam's comments? I know he's in favour, he and I have discussed this in the past, and I'd be in favour if I was him because at the end of the day, any big construction project, anything that's going to bring any sort of investment to Blackpool from his perspective, indeed all our perspective has a merit. Of course, from the Pleasure Beach's point of view they have little, if any gambling product up there, and the effect of this proposal if it went forward would be to make this a bi-polar resort with very much the families at one end, and the hard gaming at the other. So I fully understand his position, that's my rationale but he may disagree with me.

MR JAMES FROOMBERG: Sorry, could I just interrupt you Mr Biesterfeld, because if your case if you're a casino operator ...

PROF STEPHEN CROW: Yes, you can interrupt Mr Froomberg.

MR JAMES FROOMBERG: Thank you very much, Chair, I'm very sorry. There is presumably nothing to stop you apply for the licence of the regional casino if Blackpool was selected, is there?

MR DAVID BIESTERFIELD: There isn't, and we did lodge an initial interest, although we've since made it very plain to Council we would not be interested in operating.

MR JAMES FROOMBERG: But you'd rather nobody else did either?

MR DAVID BIESTERFIELD: Sorry?

MR JAMES FROOMBERG: But you'd rather that nobody else did either?

MR DAVID BIESTERFIELD: We...

PROF STEPHEN CROW: Please, just have a quiet giggle.

MR DAVID BIESTERFIELD: No, it's an important point, and it's self evidence I'm going to get accused of this. Whatever my motivation, Mr Froomberg, for my objection to this, is completely academic. It's completely irrelevant to my stance on it. What you have to decide on the empirical evidence that I've put before you is whether my arguments are right. If the arguments are right, then it matter not what the motivation for putting them forward it. Of course, my motivation here is commercial, I never have made and would not make any pretence about that. But on the other hand, likewise, Mr Cam's motivation for supporting it is also commercially triggered. I don't criticise him for that, but it rubs both ways. What I do want to correct was Mr Cam's suggestion that I was disparaging Gamcare. I hope you recall my answer, and I did not in any way disparage

Gamcare. I didn't, I want that on record. Next Mr Weaver suggested that relative accessibility was the key, and that higher problem gambling rates only apply, for instance, in Australia where the pokies, in his case, are more accessible. I'm not sure the distinction is so great when you live in Blackpool, anyway. But what he said is not right, if you look at America where gambling is very much destination, because it isn't freely available, rates are, I think the general figures that's quoted is about 2%. So they're more than twice what they are here, so Mr Weaver's answer on that is not accurate. On this question, that links in to the next point, which is I am astounded to listen to Dr Howe say that in the PCT's view there'd be no increase in problem gambling. I think that simply beggars belief. It's contrary to every piece of international evidence there is. And going back to Mr Sagar's question earlier. There actually is research in this country, I've noted that in fact Henley have done research on this very point, and they've anticipated in their research a doubling of problem gambling rates within 10 years, so there has been that research. Finally on this consultation point, in the Council's bid documents, I count 10 exercises that the Council claim to have undertaken upon the basis of which they say everybody and his dog supports this. 7 out of those 10 were conducted before the law tightened, and it was clear Blackpool couldn't have 4 or 5 regional casinos. From the outset, and this is an underlying thread which underpins our concerns about this bid and why it is flawed, deeply flawed, is that it is all based on the Council's 2003 master plan which covered a huge area of Blackpool, 5 square kilometres from memory, envisaged, what ever the collective noun for bulldozers is, running through Blackpool from the Pleasure Beach to the North Pier and building an entirely new town. There were to be 20,000 new jobs, there were billions of pounds of investment. It's mum and apple pie, if everybody is told how wonderful these things are going to be, and all the benefits that are going to come forward, of course, people are going to support. None of the Council's exercises have put forward objectively any of the points we are raising against it, none of the anti-case has been put to people in this exercise, and yet it's simply, I think, wrong to suggest that all these polls that the Council have done, allegedly to garner support are some sort of empirical exercise in establishing whether the people want it.

PROF STEPHEN CROW: Thanks for that. I do want to move on 'cos times going by. I know there are some people who still want to speak to this, but I think we've probably heard enough. Before we go on to the question of employment opportunities, I think I'd like to hear from the Lancaster Constabulary on some issues related to crime, that I know are in a lot of people's minds. Chief Superintendent? If you'd introduce yourself please Chief Superintendent?

CHIEF SUPERINTENDENT RUSS WEAVER: Yes, Chief Superintendent Russ Weaver, I'm the division commander for Western Division, and I should make it clear absolutely no relation.

PROF STEPHEN CROW: Could you put the microphone a little closer, thank you?

CHIEF SUPERINTENDENT RUSS WEAVER: I believe I can make that absolutely clear, we stand squarely behind and in support of the casino led regeneration. And I'd like to explain why that's the case. Contrary to popular belief, or contrary to popular perception, Blackpool's crime problem is predominantly a local problem. Only 15% of the people we arrest and put through our cell complex actually originate from outside of the Blackpool area. So our crime problem is very much a local issues, its local people, local victims and local people offending against local people. And certainly the experience, nationwide, I think it's widely accepted, the link between depravation, the depravation of a local population, and it's propensity both to become a high crime area, and a high victimisation to a crime area, I think that's well established. We've already head some of the depravation factors around Blackpool, and that's certainly bourn out in our experience. As a constabulary, we are a high performing force, and Mr Weaver, my colleague here has already made reference to that. That's not self-congratulatory, that's independently assessed by Her Majesty's Inspectorate of Constabulary. We are a lot performing force and have been assessed as being either one of the best, or amongst the very best, over a number of years. And our record in terms of reducing, what is essentially local crime, is second to none. We've halved burglary over the last five years; we've halved vehicle crime over the last five years. Not only do we believe that we've very effective as an individual organisation, but our partnership arrangements, the way that we work with principal partners, such as the local authority, the Primary Care Trust, and indeed others, again is very, we receive very complementary remarks. And I'm confident to say that with members of government office, North West here, who assess

our partnership arrangements. So I think both as an individual agency and as an agency working in partnership for community safety, I think we've performed extremely well in recent years. We've reduced crime considerably, and not only that, we've generated some of the most innovative schemes, partnership schemes in terms of managing crime down. We now believe we're hitting the position where we, to make a step change in reducing crime still further we have to get into the fundamental issue of the fabric of the area. And that is around the depravation issues. So we've heard much about what this casino led generation, we hope it will produce for the area, and we think that would be a major, in fact probably the only way in which was can produce a step change towards reducing crime still further. I think the real question, of course, is, is a casino led regeneration, there are questions marks raised from research around the world as to, do you simply produce different type of problems, different set of problems to the ones that we already have. Now I'm confident that casino led regeneration will be a real contributor to getting rid of some of our current problems, and the question has to be, can we automatically assume, should automatically assume that we will be faced with a new set of problems that we've neither the experience, nor the capacity to deal with. And I'll like to reassure the Panel on that point as well. First of all, the international research is to some extent inconclusive, in as much as it is very context specific, and my predecessor in this post, Mr Cunningham, has actually spent some time abroad studying gambling jurisdictions at first hand. Looking at not only the research, but looking at it first hand. And his conclusion, I think, concurs with the research that sits in the public domain. And that is that, yes, gambling can, in some cases, produce harm, but that is very much dependent on the context, the cultural context, the regulatory framework, the enforcement framework and many other factors are going on. So I think it is unsafe to assume that we will simply transplant an experience abroad straight into Blackpool, or indeed anywhere else that was successful in gaining the licence. But I think the question that the Panel would probably want me to address more than any other, if we assume that some of those problems were to transplant into the UK context, and here into Blackpool, if those problems did come would we understand them, and would we understand them, and would we have the ability to deal with them. And I think most of those problems are assumed to be around the serious crime, the vice organised crime, money laundering, those kind of issues, which are different to some of the ones we currently deal with. I've already referred to Lancashire's overall track record. We are a top performing force, so I think in general terms you should have confidence that as an individual agency we are reasonably competent agency to deal with this. I've already referred to our ability to put in some very innovative work with partners, and certainly some of the things around what we refer to as the night safe scheme, is some very, very good partnership working about putting the regulatory frameworks around licensing issues. Again, we should recognise as best practice. What we would be talking about in terms of the casino type of crime, or the casino related type of crime, the money laundering, the serious and organised crime is what we, in jargonistic terms refer to as level two criminality. What I can say, is again, independently referenced by Her Majesty's Inspectorate of Constabulary, the Lancashire Constabulary has been rated third best in the country, in terms of it's capacity to deal with level two serious and organised crime. Third best in the country. And that is taking into account comparisons with some of the very, very large, indeed the Metropolitan Police Service as well as other large metropolitan forces. Third best in the country in terms of its capacity. Absolutely key to being able to deal with serious and organised crime is the intelligence process. That is the route, because by its definition, what we term level one local crime, is very visible to local communities. Level two crime is less so, and you need very good intelligence capability to deal with that. In policing terms, the industry standard for intelligence led policing is something we call the National Intelligence Model. Now Lancashire was a pilot force, introducing the National Intelligence Model into the rest of the country, and is still looked upon as being best practice, nationally. So our intelligence processes, we are confident that they are robust enough, to both identify any serious organised crime issues, our capacity has already been assessed as being right at the very best nationally, and we are very confident that we would have the ability, not only to recognise if some of those problems came to town with a casino led regeneration, but we would also have the capacity and the ability to deal with that. I should point out, of course, we already have three casinos in Blackpool and our intelligence process means we are sited on whether they generate issues, and we do not

believe they bring any issues to this area. Money laundering, financial investigation, again we have 38 full time financial investigators, across the county, both in divisions who work locally here, and also in our Serious and Major Organised Crime Units, both at headquarters, where we can easily call upon those people to support. The Proceeds of Crime Act, which is the fundamental tool which is available for financial investigation, we're very proactive as a police service in using that. Lancashire sees £4.6 million of criminal held assets, or criminally obtained assets last year alone. There are only three other forces in the entire country who seize more in terms of financial assets. So we are experienced in terms of dealing with organised crime already, we do have that capacity and that capacity has been independently referenced as being right up amongst the best. So we're confident that, and I go back, if some of those problems, and I do believe it is an if, if some of those problems were to manifest themselves, as have been seen in other areas of the world, we would be sited on it and we would have the capacity to deal with that. I think the last thing we can have a little bit more certainly about, that would come with large scale casino operation, is that it would attract a large number of visitors into Blackpool. Again, that's something we have a very good track record on. We police something like 300 major events each year, including high security political conferences, the Tory, the Labour and Liberal Democrat conferences, long history of policing events of that sort, scaling down through national, sorry regional VE Day celebrations, the illuminations is an annual event which attracts 10 million people to this resort every year, and we police that, and we believe we police it well, and again we reference from our Inspectorate to say that we do that well. So I don't believe that the influx of visitors would faze us in any way, we're well experienced in dealing with that. So I think in summary, what I would say is we are committed, we believe strongly that the key to crime reduction in the context as it exists now, sits around regeneration and we've done as much as we can to take crime down in this area, and we really are looking for the casino led regeneration as a key input into further crime reduction. As for the future, as assumptions as to what may or may not arrive, we believe we are well placed to deal with that.

PROF STEPHEN CROW: Thank you Chief Superintendent. Mr Collison has one or two things to ask you.

MR CHRIS COLLISON: Yes, thank you Chief Superintendent for that useful information, which has anticipated a number of questions that we wanted to put to you. Clearly, you're saying that the existing casinos have given you an experience which hasn't raised any particular issues, but there is a quantum leap to the regional casino, and anticipate that perhaps on a Friday or a Saturday night at peak times there might be as many as 30,000 people attracted to that facility. You know, that's a large number people, which potentially raises issues of disorder, of street crime, muggings, assault, vehicle crime and a possibility of other crime, racially motivated crime, and so on. Could you just give us a little bit more information about the mechanisms that could be put in place, some may already exist, for example, CCTV system, or whatever. If you could perhaps just talk about, you know, how you might deal with the sheer volume of potential numbers of visitors, because clearly there are potentially two forms of crime, you know, those street disorder crimes, but with so many visitors coming to the area, you know, there'll be issues of actual crime, and they'll be issues of the fear of crime as well, in that situation. Perhaps if you could just give us a little bit more information that would be very helpful.

CHIEF SUPERINTENDENT WEAVER: Yes, certainly sir. I started by saying that principally the problems we faced in crime are local problems. But having said that, we are somewhat unique in Lancashire County in as much as we are, we do have probably the greatest degree of seasonality and sort of fluctuations in demand, because we do see an influx of visitors. So in that sense, we're already used to dealing with a demand curve that will vary according to time, and according to season. So we do have a sort of base understanding of how to deal with those sorts of issues. I'll refer back to what I talked about in terms of the National Intelligence Model. The National Intelligence Model is absolutely fundamental to the way that we do our business. And that is about having a very clear picture of where your demand happens, the nature of the demand, who's doing it, how it's happening and where it's happening. And following on from that, the second part of the National Intelligence Model is to actually configure yourself either on a day to day operational base, is to deal with spikes and demand, to put your people where they need to be placed, to actually police that adequately. But on a longer term basis, is to engage partners to

try to manage out some of those difficulties, and very often, again government office I'm sure will endorse the fact, that we've become very skilled, I think at looking at the root cause of what appears to be policing problems, the answer might lie in the operators, the industry, licensees, in the Council, in the street furniture, in the design of areas. We'll have a big opportunity here to design in a great deal of crime prevention, design in safe area, design in CCTV where it needs to be. But as far as our flexibility, in terms of how we deploy people, that is all governed, that's core business for us, that is the way we operate now, and I'm quite confident we can deal with that aspect of it. We've got a lot of experience about partnership led initiatives, things like Awake and Night Safe Tower, which where we've brought in partners to try and manage our problems before they happen. And certainly we have a huge alcohol licensing issue here, you know there's a massive industry around the night time economy, brings in a lot of people, all the potential problems we see with alcohol. Now if we try to police that, just by lots of yellow jackets on the streets, then I don't think we'd get very far. Actually the key to it is engaging the partnerships and actually keeping a very, very tight and cooperative, with an enforcement element around licensing regimes, and we believe we do that very, very successfully. As far as future developments, as I say, the opportunity to design in and build in crime prevention, I think exists for us, and we would not be slow on the uptake of that. In terms of resourcing, I think probably just to finish, in terms of resourcing the National Intelligence Model is not just something we apply at the operational and tactical level, but we also use it at the managerial level across the constabulary as a whole, and we look at where problems are happening, not just in various areas of Blackpool, be it the Promenade, or a mile back from Promenade, but we apply that some model strategically across the entire county. And we take organisational, configurational decisions about our structure and our resource allocation based on that. And if we were to see issues that placed pressure on resources, there is a mechanism that feeds straight back to our chief officer team where we start to look at the mix and the spread of resources around the county.

MR CHRIS COLLISON: Thank you for that, it sounds like a very effective problem solving approach, and partnership approach to dealing with crime issues. There are one or specific issues that you've already mentioned, under the level two criminality, money laundering etc, but we were also aware that, in general papers and discussions, people sometime mention one or two specific areas of crime, being in particular drugs and the vice issues, in particular prostitution. Would you just give us some information about whether you think they would raise particular issues in the Blackpool context, and how they would be dealt with?

CHIEF SUPERINTENDENT WEAVER: Certainly. Again, we work on a kind of level one, level two, even level three, which is where we talk about international based criminality. In terms of, if I were to deal with drugs first and foremost, there is a drug problem in Blackpool, there is a drug problem in probably any town or city that you visit or travel through, or to. So certainly, drugs exist in Blackpool. We are again, we have very effective measures in place to deal with local street level dealing and criminality of that sort. But we have particular links with Merseyside and with areas of Scotland, which we're aware of in terms of the routes in and out of drugs. Now that transcends my responsibility, if you will, in terms of my ability to deal with, but again, because of the structures we have within the Greater Lancashire Constabulary, not just my part of it, we have major crime units, and we have, we cooperate at regional level to make sure that where we need to pull in wider resources to be cross border crime properly addressed then we do that. And again, that is part of the routine business, at our tasking process through the Intelligence Model, if there are things that are going beyond our boundaries, we refer them up to the next level, and they are picked up and discussed either at force level, or more often than not, at regional level. And that is core business, that is standard business and that's something we already address now. If the scale of that increased then my feeling is, is that would become more of a regional issue for us and we would start to pull in resources from around the area. As far as prostitution goes, yes prostitution again, make no pretence of it, prostitution exists in Blackpool, in exactly the same way as drugs, it will be found everywhere and anywhere that you choose to visit. I think we understand that. We don't have, to all intents and purposes an on-street prostitution programme, ours is based in venues. We understand the nature of the problem, we understand where the prostitution takes place and how it takes place, but again through some very, very good partnership work, and we have a thing called the Awaken Project, which is all around, based

around sexual exploitation, that project which brings in Council employees, health workers, education workers, is designed to make sure that people are not being exploited, as all prostitution, I guess is exploitations. But those most vulnerable people are not being exploited through exploitation, and only recently as in the last six months are Awaken team had a very close look at the prostitution team scene in Blackpool, because there was some concern that perhaps there was a degree of networking developing around in terms of people trafficking and bringing people in, in exploitive and cohesive elements of prostitution. We investigated that, we put an operation together, I can't give you the exact date, but it was within the last six months, and we investigated that, and we actually, we actually dispelled that issue, it wasn't on an organised issue. I can only say that if that were to creep in, if that were to come in on the back of casino operation in Blackpool, again our intelligence process is such that I'm confident that we would begin to get a feel that something is happening around that, and we have got the capacity and we have got the intelligence processes to develop a product around that, to actually address it. We've done it this time, and we've found our fears are largely unfounded on that. I think we will be able to do it again, in the future.

MR CHRIS COLLISON: So even though we heard earlier that there was a considerable transient population movement, probably internationally, that human trafficking, prostitution issues are not particularly an issue.

CHIEF SUPERINTENDENT WEAVER: No a huge issue for us at the moment.

MR CHRIS COLLISON: And if they became so you would feel confident?

CHIEF SUPERINTENDENT WEAVER: I think the key to this is the quality of intelligence, and as I've said previously, we piloted the National Intelligence Model, which is our industry standard of how to manage intelligence well. We piloted that and developed it in Lancashire, and we're still referred to as good practice in that respect. And again, that can be referenced through the HMIC.

PROF STEPHEN CROW: I think, Mr Edwards, you've perhaps a question or a point?

MR MICHAEL EDWARDS: Yes I have. Superintendent Weaver referred to the majority of crime being committed locally by local criminal, and of course...

PROF STEPHEN CROW: I'm sorry, I'm having difficulty hearing

MR MICHAEL CROW: I'm sorry. Superintendent Weaver has mentioned at the opening of his address that the majority of crime that he's dealing with, is by local criminals. Well, of course, the point that he's made at the end here, is that of course the transients, who form a very significant part of our population, will give a local address. Obviously they're accommodated in the local area. So, and what he doesn't deal with is the massive influx of money that will come, if there was a regional casino, and that would be a magnet for criminals from wider areas. But what I would like to say is that he's referred to inconclusive evidence and research, worldwide and at first hand by members of the force, and I'll refer again to Atlantic City, and a report that social history of Atlantic City, it says, although a small city, I'd like him to comment on this, before the advent of the casinos it had been plagued with many large city problems, especially involved crime. The introduction of gambling did not however, quickly eliminate many of the urban problems that plagued Atlantic City. Many have argued that it only served to magnify these problems as evidenced in the stark contrast between tourism intensive areas, and the adjacent impoverished working class neighbourhoods, such as we have in Blackpool, drug infested tenements in poor conditions, standing directly beside multi-billion dollar casino hotels along the ocean, in some locations. And some very important facts, Atlantic City, from the same survey, was once a US city with the lowest level of crime. Since the advent of casinos, they have dropped to 50th in the crime league, specifically Atlantic City saw 107% rise in its crime rate in the first 10 years following casino introduction in 1977. And even more significantly, perhaps for Blackpool, there's over 60% of Atlantic City casino profits comes from elderly day visitors, who even now, are the main targets of the muggers that we suffer in Blackpool. What I would like to say is that I share positions on the low strategic partnership, with Chief Superintendent Weaver, and with some of the other bodies, and with the limited resources that he has, the cover that the Force gives now, is exemplary. What I, the point I'm making is there is going to be an avalanche of crime, and unless there is some means of increasing the resources that he has, then his Force will not cope with it, on the present cover, and the programmes that he has. The programmes that they have are terrific. They lead the field in the country, and he's mentioned some of the

projects, whatever. But we're talking about a different level of crime. We're talking about, we don't have any significant ...

PROF STEPHEN CROW: I think Chief Superintendent's got the point, thank you.

MR MICHAEL EDWARDS: Well, one final point, we have little, I suspect, of money laundering in Blackpool.

PROF STEPHEN CROW: He has covered that, so let's get on. Chief Superintendent, what do you say to those points, an avalanche of crime, and resources?

CHIEF SUPERINTENDENT WEAVER: Well clearly we're no different to anybody else, and resources are always finite. How I wish they weren't, but they are. And we have finite resources. But I would say that the boundary for resources is not locked within Blackpool. I'm part of the Lancashire Constabulary and I do have the ability to refer back. If we had specific demands that we're building here, that were unanticipated and not reflective of current damages, there is a process, a tier above my level where we can go back and we can actually look at the resourcing of this division. Now that's not to say, I'm not trying to paint a picture that there's a bottomless pit of resources to apply, of course there isn't, but certainly there is a process in place that would allow my organisation to look at where the demands are being placed within the entire context of Lancashire. So there is scope for that. I think the other thing I would want to say is that in the same way as we look towards problem solving, rather than reacting to problems, from the outset we would be looking to tie the, both the partner agency, but the operators in to designing out crime, designing out issues that we would anticipate might arise from this. And we would be looking for contributions, we would be pressing the operators to make the right and proper contributions to policing and security arrangements, so we didn't kind of blindly wander into a position where we developed problems which we would then have to react to. That's the nature of the way the Lancashire Constabulary and its partner agencies does business in terms of advanced problem solving. As for the experience of Atlantic City, well I'm not in a position really to talk with any authority as to how Atlantic City has benefited or otherwise from the casinos. But I do believe that the key to this is that the extent to which this casino led regeneration actually produces benefits which gets into the heart of the economic deprivation with Blackpool currently suffers and I think that's probably a debate we will have a little bit later on, as the day goes on, as to the extent to which this actually places a casino, or whether this actually produces the desired benefits.

PROF STEPHEN CROW: My understanding of policing in the United States is the primary force is actually a local municipal force, which in Atlantic City would be quite small.

CHIEF SUPERINTENDENT WEAVER: Yes, but I understand it's involvement in the casino related issues is relatively small in as much as the regulatory framework around the gaming industry is very, very strong. So actually a huge amount of the policing is taken away from the police service, and is put into the hands of the people who regulate the industry. And we again would want to be instrumental in making sure that that is case, as much of the policing of that industry, as is appropriate, sits with regulatory frameworks rather than simply passing everything onto the police.

PROF STEPHEN CROW: Thank you. Councillor Bate?

COUNCILLOR BATE: Thank you Chairman, a couple of points if I made. If I could just speak for a moment for a colleague, David Gee, the Chairman of the Seasonal Traders Association, for four of the past six years he's told me on a regular basis that a great deal of the problems in the town centre were based on the absolutely disgraceful and quite poor service, from the police, in regard to the drunk and disorderly behaviour of the stag and hen parties. That has caused terrific damage to the image of Blackpool, and it is because they were so weak really. It has improved in the last year or so, but for most of the past six years, he was telling me he represents all of the little traders and the ...

PROF STEPHEN CROW: I'd like to know the connection between stag and hen parties, and casino gambling?

COUNCILLOR BATE: It's an indication that the police aren't very good.

PROF STEPHEN CROW: You don't expect the Chief Superintendent to agree with you, do you?

COUNCILLOR BATE: I can tell you, a lot of people do, a lot of hoteliers were disgusted at the way they didn't crack down on the drunk and disorderly behaviour, honestly. By anyway, my

second thing is there appears, from what he said, there's a total misunderstanding of what the real crime that we're going to get is, and it tends to be fraud, it tends to be white collar crime from people, I get about 15 e-mails a day, from all over the world, from any crime, or anything relating to casinos, and it's nearly all when they come to court, which is like three years later, of all the crimes they've committed, in order to get the money to feed their addiction. And it's hidden for quite a long time, and that's the crime that's on the way.

PROF STEPHEN CROW: But we know nationally, of course, that there is a connection between drug use and abuse and crime. But I, well I don't want this forum to be used as just an excuse for the success or otherwise of the Lancashire Constabulary to be aired, because there are other forums for that. In so far as Councillor has made a point, is there anything you want to say?

CHIEF SUPERINTENDENT WEAVER: I think the only thing I can say is the principal issue around stag and hen parties, yes that is a sort of feature of, one of the aspects that we police. I believe we police it rather well. I think the Night Safe operation, which I say, was something which was born in Blackpool, which is now rolled out as national good practice, and recognised as such, is a very intelligent and sort of, very appropriate way to deal with that. I can only refer to two issues he raised, one is that he doesn't think the Lancashire Constabulary is very good, I just refer you back to the HMIC baseline assessment of that, and secondly in terms of white collar crime and fraud, the Proceeds of Crime Act, there's only three other forces in the country who see more in terms of financial investigation which results in seizure of criminal assets. So I think we stand up to scrutiny on both counts, thank you.

PROF STEPHEN CROW: Thank you very much. I think I do need to move on, and thank you very much Chief Superintendent. Well, Mr Cam, I keep on forgetting you, was there something you wanted to ask the Chief Superintendent or a comment?

MR DAVID CAM: No, sir, it was a comment, please.

PROF STEPHEN CROW: Carry on then please.

MR DAVID CAM: We talked, on the other side of the table, a moment ago about an avalanche. We, the business people of Blackpool, would be delighted if we could get Blackpool back to the position we were in 1997, because our surveys reveal that the number of visitors coming to our town has decreased by some 48% in that period. So if the avalanche puts us back to where we were, and where the police were in 1997, then that clearly is very good news for the future of the town. So I may say, on behalf of the business community, that we are wholly complementary of the efforts which the police have in every, every area of the policing of Blackpool, not use the tourist zone, but the town itself. And they have lots of events, as you've heard, some 300 a year, some very, very large, including party conferences, and some smaller ones, and they do an admirable job, as a constabulary as a whole, and I endorse, again what Superintendent said about the resources he draws from Lancashire to help, and they do so, from the rest of the constabulary in other words, and they do so willingly. And we, the business community are very grateful.

PROF STEPHEN CROW: Thank you, Mr Cam. Thank you. Yes. One of the things we want to look at, and we've looked at everywhere, is the extent to which the employment opportunities that are likely to be on offer, and we may actually look in more detail at the numbers later this afternoon, we want to see what measures there are in place to make sure that as many local people as possible, would be taken into the casino employment and the auxiliaries and the other things that might be levered in, come from local people. Now we have been advised, by Queen's Counsel, no less, as to the European Directive on local employment, which says that if you say that so many percent have to come from the locality you are distinguishing between one nationality and another, so you have to do something else, like, well we've had advice on that. We've heard also from the Blackpool and Fylde College, is there anything more you want to say about this particular issue, in particular how to get to what some people have described as the "hard to reach" groups, the people who perhaps, on long term incapacity benefit, people who sometimes perhaps might have an ethical objective to working in a casino, and so on. Can you tell us more on this subject please?

MR STEVE WEAVER: I'll ask Mr Cavell to deal with that, but just before I do can I just say that's one of the reasons why I think it's so important and so fantastic that we have the Regional Gaming Academy on our doorstep, because if you are workless, if you're going to need access to

training and opportunities, then those have to be on your doorstep in order for you to access them. And that is on our doorstep and it's a place that will create high level opportunities for local people, and local workless people, to have those skills and development needs necessary for them to gain the jobs in the kind of work that this will generate. But if I can now hand over to Mr Cavell?

MR ALAN CAVELL: Thank you, my name's Alan Cavell, I'm head of corporate policy for Blackpool Council. Just to finish off on that point, I think Mr Biesterfeld made a statement about the Regional Gaming Academy being a national body, organisation that took its intake from a national position. In fact the funding that's giving to the Gaming Academy requires 50% of the people on that course to come from the most deprived wards in Blackpool, so I'm afraid that's not the case. We have had the opportunity to develop our proposals in terms of employment over the last two or three years, and we have what we believe is a fairly clear model for how this is going to happen. It's a sort of three pronged approach. Firstly, recognising that it isn't just about providing training and employment opportunities, as you've already mentioned, Professor. It is actually about having the outreach to reach those people who are most at risk, and most unlikely to get the training and employment opportunities. What we've put in place through our local area agreement is a neighbourhood's approach which includes outreach work through projects such as Springboard and other things, which we've already referred to in our evidence. But if I could just give a few other issues that arise from that particular initiative. We have already been part of the worklessness pilot which has been run by DWP to get people who are coming on to incapacity benefit to think about perhaps going into work, or into training. We've also just been successful in receiving money from the Northern Way Programme for Worklessness, which actually looks at people who are already on incapacity benefit to try and move them into position of employment. So we've been quite successful there. We will be using that money, mainly to set up neighbourhood employment teams who will target individuals, not areas, based on a data base of people who are unfortunate enough to find themselves in that position, that's compiled with DWT and other agencies, across Blackpool. So this isn't a postcode approach, it's a personal approach. All of this, as I've said, is embedded in our local area agreement, and part of that is something called the Master Plan Enterprise Centre, which is currently rising out of the ground in South Shore, not very far from Wingfield ward, actually. And that's a £3 million investment that will act as the hub for this arrangement, not only for the partnership, but also as a beacon of where to go, if you like, to get involved in the future of Blackpool. Our second approach is through training, you've already heard quite a lot from Pauline, sorry Mrs Waterhouse, who you'll want to hear more from her in the future. But the training hotel that we have, the Carousel, the Leisure Services Centre of Vocational Excellence, the Building Centre of Vocational Excellence, the Regional Gaming Academy are all examples of how the college is going to help with training. But the important thing is to have the appropriate partnerships in place. We had a piece of work done, which was a skills survey which ultimately had an action plan attached to it, which suggested the creation of a casino trading alliance, which is a mix of delivery agencies, in terms of training, the industry and other interested parties, who will decide and make sure that the courses on offer are actually the courses that are required by the industry. And that organisation already exists. We'll also be making sure that we can deliver training bursaries to particular people from the developers and operators, hopefully if we're successful with the regional casino. Thirdly, the area of work, as you say, all we can do is aim for, 60% is our figure of local labour, but we have agreements with the private sector, with housing associations and other developers already as part of our Council's procedures. You are allowed to have agreements for targets into employment, what you can't do is compel any particular to employ any particular person. The approach for that, obviously, is to say that you would have preferred status for interviews, and not preferred status for employment. But the key thing is getting people ready for that status, and that's what the training and the outreach work is all about. So the work that we would already do with our contractors, and so on, would be extended to all new developments, and indeed, of course, to the casino developer, and one of the criteria we would look at, obviously, as part of our exercise of finding a casino developer and operator, would be how keen and how good their systems would fit with our matrix, which I've just outlined, to make sure that we give the best possible chance of achieving that target of 60% of local labour.

PROF STEPHEN CROW: Thank you. I'd like to hear now from, I think I'll hear from Mr Broomhead in a minute, but I'd just like to hear from the Fylde College, please Miss Waterhouse.

PAULINE WATERHOUSE: Thank you very much, Chairman, yes. What I would say is that we are acutely aware that the benefits are regeneration are not going to be felt amongst those people who are most in need unless we do something to address the skills base of the local population. I am aware that Blackpool's submission did highlight the fact that we have currently a skills deficiency in Blackpool. 37% of adults in Blackpool actually have no formal qualifications at all, and that compares with an all England average of 29%. Only 10% are qualified to degree level or higher, and again that compares with an all England figure of 19%. So we have some very, very real challenges to address in this regard.

PROF STEPHEN CROW: Can I just stop you for one moment, because is that because the clever people have been moving out, and the not so clever people moving in?

PAULINE WATERHOUSE: Yes, it's a combination of factors indeed, because it is partly the fact that presently, because of the lack of availability of appropriate jobs for graduates, we're not actually able to keep the graduates in our town.

PROF STEPHEN CROW: It's not a reflection in itself on the local education?

PAULINE WATERHOUSE: No, not in any sense, what I would say is that it's also though, integrally linked to the depravation and the disadvantage in the town that we heard about earlier on, undoubtedly the two things go hand in glove, and we heard first of all about the whole issue of transience in Blackpool. That, without a doubt, has had an impact upon the performance of some of our secondary schools, because there are schools in the town where up to 75% of the youngsters sitting GCSEs in year 11 are not the same youngsters who entered that school in years 7, and that actually is a very powerful indicator as to why we have struggled with some of our educational attainment in the town. So I think we're aware that we have significant challenges, and that was way, in establishing the Regional Gaming Academy some three and a half years ago, there was an awareness that we wanted to learn the lessons of some of the other places that Blackpool Council, colleagues from the college had actually visited in endeavouring to carry out this research. Certainly when people from Blackpool and the Fylde College went to Atlantic City what they discovered from speaking to the operators, the townspeople there was that in actual fact when the super casinos arrived in Atlantic City, the jobs did not go to local people, because local people were not job ready. They hadn't been trained, and therefore that was one of the most powerful reasons for needing to work towards addressing the skills deficits in Blackpool by establishing the Regional Gaming Academy. I made reference to its formal launch February of this year, but have also said that the Gaming Academy has been in operation for a significant amount of time before that, and indeed we had our first graduates this summer from our Higher National Diploma in Coin Slot Technology and indeed throughout the course of the last two years, we have had a number of adults who have completed successfully our level 3 programmes in casino operations. If I can just give you the example, perhaps, of one particular programme, so as not deluge you with statistics, but of the 38 people who are successfully completed the level three EdExcel programme in casino operations, all of them went into jobs and 65% of them went into jobs in local casinos. The others went into jobs in casinos up and down the country. Now one of the things we've been working very hard to do, is this issue, as the Panel referred to earlier, of the whole challenge of how do we actually target successfully, local people, so that we make sure that people in deprived areas can actually take advantage of what we've got to offer. So we've worked very closely with Job Centre Plus, and we devised a special programme, which would enable people who were on unemployment benefit, Job Seekers Allowance at the time, to actually study for 15 hours a week, and over an 18 week programme, whilst at the same time drawing their Job Seekers Allowance. That was one specific targeted initiative as to how we were actually going to make sure we reached the people most in needs of the benefits of the kind of training that we are offering, so that perhaps helps to address an earlier question that was posed.

PROF STEPHEN CROW: Thank you, Mr Mundy wants to ask, I'm not sure ...

MR NEIL MUNDY: Chairman, I would like to ask Ms Waterhouse a question first, and then Mr Cavell. Very, very interested to hear about the courses that you've been running, and the fact that it's been running three years and now seeing the results. Looking at the profile of jobs in

casinos, it's not just casino floor skills that are necessary, I mean there are actually almost as many people working behind the scenes, making sure that everything works effectively. Do you have a broad range in your curriculum to deal with the, you know, the range of skills?

PAULINE WATERHOUSE: Yes, I think that's a really important point. What we've done is we've designed programmes from level two, which is, as you'll be aware, GCSE equivalent, right up to degree level. Because we are conscious that there is a need, indeed, to train people, yes for the lower level of jobs that will undoubtedly be available but also for the jobs at technical, at supervisory and at management level. And that is why we have validated a degree in casino operations which our partner University, Lancaster, and our foundation degree in coin slot technology with the University of Central Lancashire. So we have tried to be mindful that there will be a demand for a very, very wide range of skill levels.

MR NEIL MUNDY: Excellent, because that makes sure the benefits the local people can be right up the earnings range, and skills range.

PAULINE WATERHOUSE: Absolutely, and we need to raise aspiration in Blackpool, that's real challenge for us.

MR NEIL MUNDY: Thank you. Mr Cavell, thank you very much indeed for your presentation. I often like to look at things that have happened and success stories, and where we've actually seen a lot of these very good policies and principles going into action and actually delivering things. Could you first of all, please, tell me, maybe one or two of the very clear examples where you and your colleagues have actually been effective with working with employees to get the right skill mix and provide the right lead in time, because I think with the regional casino we've got the benefit of a good lead in time, which is generally one of the problems of matching people and getting people job ready. Could you give us some clear examples of where this has been successful, so far?

MR ALAN CAVELL: Probably the best example is the SRB Round 2 projects, where we initially sought to diversify the economy away from tourism. It ultimately proved that wasn't entirely possible, but they are good examples of how we've worked with the private sector and the public sector to deliver against that. A skill survey carried out in 1999 established that there was a very low level of basic skills and that was the shortage. So the jobs that were created on business parks, technology park and a business park in the North and South of the town were advised and promoted to the deprived communities of the town, and the training that took place, because what the biggest barrier we found was that people did not want to go, I'm sorry Pauline, did not want to go to take part in that training, they actually wanted to take part in training on their doorstep, and so we set up a network of three or four centres where people could do training in a familiar environment and a safe environment in order to job ready them for those particular jobs that were taken on. Our success is that we have somewhere in the region of 2,000 we've created over a 8 year period on the two parks, and about half of them went to, so about 1,000 jobs went to people from deprived wards, as a result of that training and promotion of those posts in those locations.

MR NEIL MUNDY: Career progression possibilities within those jobs, or where they low level.

MR ALAN CAVELL: Generally speaking they were relatively low level, but there was a demand for IT skills which we actually managed to deal with as well, which gave some progression in that area. I think it's fair to say though that the majority of jobs were warehousing, and sort of semi-skilled manual labour.

MR NEIL MUNDY: Just one final point, again on the theme that I was exploring. Do you feel that's been successful or would you have preferred to try and create some career progression.

MR ALAN CAVELL: No, I mean, I think we've learnt from that process and the process I outlined earlier on, and following on from what Ms Waterhouse has said, we very much want to see career progression as part of the casino process, and that's why we've got the casino training alliance, not to just establish the skills levels for the basic jobs, and the demands, but actually to establish the skill levels for the whole range of things, which is the response you've had from college. Thanks.

PROF STEPHEN CROW: Mr Sagar?

MR DEEP SAGAR: Thank you, Mr Chairman. Could I ask the Council about the three casinos so far, would you be able to tell us what share of employment created there has gone to local and disadvantaged people?

MR ALAN CAVELL: Sorry, the share of employment from?

MR DEEP SAGAR: The three casinos so far, that you've had, would you have some data as to what share has gone to local and disadvantaged people?

MR ALAN CAVELL: Well, we believe that it's 95% local people, and the figures can be confirmed by Ms Waterhouse from the ...

PROF STEPHEN CROW: When you say 95% local people, where they local people when they took the jobs? I mean, presumably their books would give a local address, but then they would, wouldn't they?

MR ALAN CAVELL: Sorry, Chair, could I just bring Mr Haslem in on this, because he's had most contact with the local casinos.

MR HASLEM: I'm Director of Development with Re Blackpool, formerly Head of Planning with Blackpool Council.

PROF STEPHEN CROW: That's where I've heard your name, of course, thank you.

MR HASLEM: We have close connections with the existing three casinos; have done from early 2003 when the Master Plan proposals were being pursued. I know how many employees there are within the three casinos, it's approximately 220, and clearly concerned to find out how many of these people are local, 95% are local. What I can't answer is your question of whether or not they were local when they were first appointed. But 95% have local addresses at this time. Local, meaning Blackpool and Fylde coast.

PROF STEPHEN CROW: But they were local people, yes. Well, thanks for that, that's an authoritative, don't know. Mr Froomberg, do you want to ask something? Sorry about that, we do find difficulty with thought transference amongst the Panel. Mr Broomhead, do you want to say something on this particular subject?

MR STEVE BROOMHEAD: Yes, sir, thank you very much, and on behalf of the government body that provides the strategic economic leadership for the region, we welcome you here and thank you for contributing to our tourism economy. A particular point I want to make, and I hope to make this point later today, is regarding the issue around employability and incapacity benefit which features in the prioritised regional and economic strategy which has been produced by the region and has been accepted by government. Clearly this is a key issue for the whole region, and the Development Agency, through its leadership function will be ensuring that the urban regeneration companies re Blackpool, in the case that you're here today, works very closely with Job Centre Plus, and the now Regionalised Learning Skills Council, to make sure there's additional flexibility, and new focus around the resources around Blackpool to ensure that incapacity benefit and employability are given are real focus. What that will mean in practice, I believe, is that additional resources and refocused recourses will be directed to the sort of training opportunities that Pauline, the Principal of Blackpool College, and Blackpool Council have described. So there's a real strategic focus on this issue, at a regional level. There's an engagement in policy terms, and I think a real impact in deliverables here in Blackpool around the employability and incapacity agenda, which deals with the original question around hard to reach groups.

PROF STEPHEN CROW: Did you still have a question, Mr Sagar? I'd like then to hear Mr Cam.

MR DAVID CAM: Thank you, sir. I would like very much to endorse Mrs Waterhouse's statement. The local college has been very, very important to Blackpool for many years, and as long as I can remember, I've been involved in tourism catering in Blackpool now for 27 years; it has been a centre of excellence for catering and hotel management. It has in fact, provided many good people, not only to our company, Blackpool Pleasure Beach, but of course, around the town with staff, not only locally, born and bred staff, who support the college, and always have. But always to people who've come to Blackpool and stayed here, following their excellent education at the College. My point about making this, sir, is only that the concept of training local people for local jobs is nothing new in Blackpool, and the specialised training which the College has developed, as a centre of excellence in the past, is going back many years, and will no doubt continue in the future. And the latest initiative, of which you heard, is wholly supported by the business community.

PROF STEPHEN CROW: Thank you. Something I just want to put into the arena, and this is the point that, I suppose it's a piece of special geometry if I can call it that, and that is in a smaller

town, you'd expect if you're taking people from the locality, would you expect more people to come from the locality, than in a bigger one, coming from the bigger town? How does that work out, am I being fanciful?

MR STEVE WEAVER: No, I think if we had the right levels of basic skills and attainment in Blackpool and the job opportunities were there, because of the not necessarily the smaller nature of Blackpool and the Fylde Coast urban population, because it is tightly constrained and easy access to those opportunities, then I think, yes you would expect more local people to be in those jobs. Our issues is, as Ms Waterhouse referred to, is the low basic levels of attainment, and then skills, to allow people to be placed into jobs, and then go on to the progression that is critically important. And if I can beg your indulgence, and go quickly back to a point, a question that was raised by Mr Mundy, with the College, we are working with Blackpool Airport in a similar way than is being done in this kind of industry, to provide a range and progression of jobs through Blackpool Airport, in terms of the aircraft and maintenance of aircraft, because in order to enable progression, we have to have the nature of jobs in Blackpool, in the first place, to allow people to progress to them. And that, which is also tied to this, is an opportunity for us to identify a group of jobs where that progression can take place. But we will not simply, because we are a tightly constrained urban area, necessarily place people into the job opportunities that are created, if we haven't built the foundations, both for people to get on to the ladder and then to progress through the ladder.

PROF STEPHEN CROW: Thanks very much. I think I'm going to ask now, Mr Biesterfield, first of all are you able to shed any light on this question of whether the 90%, how much of the 90% lived in Blackpool before they took jobs and perhaps then became residents?

MR DAVID BIESTERFIELD: Sorry, Professor, can I shed light on that? I can't speak to the casino operators employment faces because I don't know them. I prefer to approach it this way, if I can. Firstly, let me say that like David Cam my company stands full square behind all the efforts that the Council make across the board to train and improve the quality of education for Blackpool residents and the pool of employees that of all us as major business operators draw on. It makes no commercial business sense to pull employees from further a field, if there is a decent base of employees locally, that's common sense, it's the way the market works. I equally endorse, thoroughly what Alan Cavell said, which is the key stage is getting people, whatever they're going to do, to the state of readiness, and in all fairness to employers, while of course all of us train our staff, getting those basic skill attainment levels is critical to getting good staff, whatever your business. And in that sense, and this is where I begin to depart from my friends on the other side of the road, I think the danger here is that we assume that a casino is the only way that things can get better in Blackpool, for those who require employment.

PROF STEPHEN CROW: That's a bigger question, isn't it?

MR DAVID BIESTERFIELD: Well it is, and if I could draw attention to a few points on that, first of all, as David Cam said, and I endorse this, the Blackpool College has been doing a great job, for a very long time. It has seen a gap in the market to do the training academy, the gaming academy, that is going to succeed and will service, as I said earlier, a national or local market, that will serve as both. I don't see that as being an especially valid reason for giving Blackpool priority in terms of the terms of reference that you are obliged to consider from the Secretary of State. But moving on to more specifics, you will see in the NERA report, when you read it, that a lot of this is covered there, but first of all this idea that Blackpool is in this absolutely desperate state. I don't deny, and none of us would that of course there is room for much improvement. Blackpool needs investments, Blackpool needs more jobs etc.

PROF STEPHEN CROW: Would you mind if we dealt with this after lunch?

MR DAVID BIESTERFIELD: Well, these points do link in Professor.

PROF STEPHEN CROW: Alright, in that case, we'll leave the main point til after lunch, if you just go onto the bits about training and so on.

MR DAVID BIESTERFIELD: Well they all do set in context what's been said before. I mean, I'm in your hands, if you'd rather I left this til after lunch, I'm happy with that.

PROF STEPHEN CROW: Yes, I mean, we do have a major question, you know, is everything a black as perhaps it's made out, they haven't actually said it's all that black actually.

MR DAVID BIESTERFIELD: The headlines, which perhaps we can return to in more detail, are that economic, the economically inactive in Blackpool, over the last few years, are actually on the decrease. In other words, economically active people in Blackpool are already showing good signs of improvement. I wonder if it would be easier just to deal with these. We can come back to them later, it'll only take a few minutes if I may, I am in your hands but it does seem to me that ...

PROF STEPHEN CROW: No, I mean if you feel that this isn't an issue for you, then that's fair enough.

MR DAVID BIESTERFIELD: Fine, well if I could just deal with it this way. NERA, in their report at para 322 for your future reference, page 9, tell us this, in looking at this question of economically inactive levels in Blackpool. First of all they disagree with the Council's base figure. They use Nomus Data and suggest that 22.6% of all of the working age population is economically inactive, not 40% as the Council suggest. While this may appear to be high, again it needs to be seen in context. Firstly, it is less than the average for the North West region as a whole, but also importantly while it is above the England and Wales average at 21.7%, it has improved markedly in recent years. Since the beginning of the decade, at a time when the national trend was one of increasing inactivity rates, the proportion of the Blackpool working age population that is economically inactive has fallen from 27.8% to 22.6%. So yes, there's room for improvement, but there are already signs that without a casino things are improving, and it's the comparative point again. They'll continue to improve if we get some investment in the town, whether it's a casino or something else. And we'll deal with that point later. The next point is that employment trends generally are on the up, and the reference there is page 11 of NERA's report, at para 3.2.3. And I quote briefly from it; "employment trends would also further question the validity of the claim that the economy is shrinking and moving inexorably towards terminal decline. In the period since 1995 up to 2004, not only has the number of employees jobs in public administration, education and health, the largest section, not incidentally tourism, but those sections, increased by 39%, the tourism sector has also seen a significant increase in employee jobs, up 18% over the same period, as shown in figure 3.4 below", which you'll see in due course. The third point I'd like to make, is in relation to a couple of matters that Ms Waterhouse mentioned. The skill based question. In fact, if I heard her correctly, the suggestion was that the sort of casino employees we're looking at here would be NVQ level 3. In fact, in Blackpool, according to NERA's research, while the gap between Blackpool and England and Wales for those of working age with level 3 qualifications or above, is 11.8 percentage points, when only those with a level 3 qualification are considered, the gap falls to just 0.7 percentage points. And finally, in relation to what she said, she quoted a statistic, if I can now find this, about the level of, I think this is the levels of inactivity. The figure she mentioned from memory, I'm struggling to find my reference here, it was about 37%. It's actually far lower, because the Council's data, including that ambit, those who are beyond retirement age. Now plainly they're inactive economically, largely because they've decided to retire and they're not appropriate to put into the back, in NERA's view at least, in that particularly calculation.

PROF STEPHEN CROW: Thank you. I'm conscious that it has actually gone lunch time. I don't think we're going to wind this particular issue up before hand, which is unfortunately. A very quick one, Mr Edwards.

MR MICHAEL EDWARDS: It is very quick, I'm enjoying the role of sweeper upper, after Mr Biesterfield. Mrs Waterhouse gave figures that, over three and half years, 38 people had successfully completed the course, and I understand from her that approximately 150 have been through that course. What I would like to know, if this information's available, how many of those were people, who went on this course, who were from the unemployed pool, and how many of those were students who went straight from other colleges or schools, straight into the course? And then, just another small point, and it's in relation to matters that we now have, as I understand from Council sources, almost 5,000 East European, mainly Polish workers in the town. They are principally employed in the hotel and catering trade, and the situation is, as in other areas where there are concentrations of these Eastern European workers, they are displacing the opportunities for local permanent residents. Indeed I think Mr Cam would confirm that the

Pleasure Beach now employs, seasonally several hundred Eastern Europeans, principally Polish workers.

PROF STEPHEN CROW: What's special about their being Polish, Mr Edwards?

MR MICHAEL EDWARDS: Well, nothing, it's just that they are Polish, they are mainly Polish in Blackpool, in other areas they are Croatians, or whatever, in Blackpool, and we're pleased to received the Poles, we always have done in Blackpool.

PROF STEPHEN CROW: You know, if you're called Edwards you could be Welsh.

MR MICHAEL EDWARDS: I am actually part Welsh, and part Irish.

PROF STEPHEN CROW: And proud of it, I hope.

MR MICHAEL EDWARDS: No, the fact is that they are mainly Polish and Blackpool, from the war time has welcomed the Poles, we still do. The point I'm making is that they are displacing opportunities in the hotels and catering industry in Blackpool, and I was making the point that Mr Cam, his company is actually employing several hundred Polish workers and is now considering making redundant permanent workers who have been employed by his company over several years.

PROF STEPHEN CROW: Yes, what's this got to do with casinos?

MR MICHAEL EDWARD: Well, what you were talking about was whether the local unemployed where going to get opportunities of these jobs. And this is an extra factor.

PROF STEPHEN CROW: Look, it's seven minutes past one, I did hope we'd finish by one, we're obviously going to have to continue after lunch. Could you just have a word with Ms Waterhouse, because if you wanted information then the best thing to do is to ask her?

MR MICHAEL EDWARD: I did ask, but I haven't had it.

PROF STEPHEN CROW: Right, well, have another word over lunchtime, because we do want to break. It's now eight minutes past 1 o'clock. I think we could perhaps manage with three quarters of an hour, because we have got a bit behind. Where does that take us to, ten to two? Can we please be back here by ten to two, promptly, we're adjourned until then, thank you. If you could take your places, it's exactly ten to two, so we'll resume. We hadn't quite finished the questions about the employment opportunities and the probability of them being taken up by local people. It looks as though Mr Biesterfield you want to resume the discussion.

MR DAVID BIESTERFIELD: Professor, it wasn't actually necessarily on that point, but I did want to just come back, following our conversation at lunchtime to let you know that over the luncheon adjournment given the Council a full bundle of all the documentation that we've submitted to you. I hope that's helpful to them. I would like to just mention, if I could, that I hope that that willingness to cooperate in that way is going to be reciprocated. I have to say, until now I'm afraid it hasn't been. We have been waiting for information, pursuant to freedom of information requests since the beginning of June. The documentation took over two months to reach us, despite our requests, it was not given to us as it was found, it was given to us all in one lump at the end, which didn't make our ability to absorb it all helpful, and just over the luncheon adjournment the Council made reference to a document which they plainly have a copy of, but which despite my requests, they have refused to give me. I appreciate, Professor, that you don't probably have any powers to dictate, but I do want to make it plain to the Panel that we don't feel that we're getting a reciprocal cooperation when it comes to the disclosure of information from the Council.

PROF STEPHEN CROW: Well all I can say is I do think it's far that everybody has access to all the documents, including ourselves. I mean, it may be that at the end of the day they answer quite small points, but Mr Weaver?

MR STEVE WEAVER: On the freedom of information requests, we have, in fact, complied as quickly and as fast as we can in light of the massive request that came in, which we understand now is, as we understand now, is on behalf of Leaguenotions, which was incredibly detailed and went to all the points of evidence in our submission. With regard, and I do thank David, Mr Biesterfield for handing over the information requested, which he did give me two minutes before you walked into the room. With regard to the documents that are requested from myself, it was a passing comment I made about a document which was in the public domain, in commissioned by the Council that we may or may not refer to, and probably wont.

PROF STEPHEN CROW: Well, look, if there is any further documentation to be sent round, I hope it will all be done as soon as possible, and if there's any comments to be made, as soon as

possible. I'm not going to lay down a deadline, we'll bin the business of deadlines, because we had a deadline of the day we were coming here, but beyond on, do be quick, any documents received on December 30th might just be ignored. And I'm sure there's a halfway house somewhere between one extreme and the other. Where did we get to? Was there anything more anybody really wanted to say about the take-up of employment opportunities?

MR DAVID BIESTERFIELD: Professor, I presume we're going to come on to talk about the actual number of jobs, if we are then the answer ...

PROF STEPHEN CROW: The numbers we're going to, I hope very shortly, because there are some questions that we've been asking everybody about numbers, and what follows from that. Well if there isn't, I'll, we'll move on then. Into the area of the need for regeneration, the probability of implementation and the securing of regeneration benefits, and I think I'll just hear a few quick words about the, what has been described as the sort of economic health of the town. I just wonder how much there is between your view, Mr Biesterfield and that of the Borough Council. I mean neither of you are saying that it's in terminal decline, you'd hardly say that anyway. Mr Weaver, what actually is your stance on this, you've presented us with the statistics, there's no need to go over that again.

MR STEVE WEAVER: Our view is, unfortunately, it is in significant decline and a decline that will become terminal in not many years from now, can't put a figure on the number of years. But the steady nature of the decline is such that we cannot see the tourism economy in Blackpool being able to succeed. It depends on a cluster of gregarious activities in order for people to keep to come here. That sort of cluster is disappearing, and I do hope you're able to call on the business representatives who represent the accommodation sector, the amusement sector, the leisure attractions as well as the non-tourism and leisure sectors in Blackpool and I think you'll pretty well hear, with almost one voice, with probably the exception opposite, of the state of the economy in Blackpool and the desperate need, therefore, for us to go into ...

PROF STEPHEN CROW: Yes, I mean the statistical base I don't think, it might be challenged here and there, but I don't think there's any great challenge. I think it's where the trend is, and that is the important thing, is it?

MR STEVE WEAVER: It is, and I think its people who are actually on ground who I think will go through where the trend is, how they've seen that happen over the last four years. If I could, I'd like to bring in Mr Haslem who does have just one or two, sort of, new pieces of information about the trend, if trend is something you are particularly interested in, in relation to the economy and the decline.

PROF STEPHEN CROW: Thank you, Mr Haslem.

MR HASLEM: Sir, I just wanted to draw the Panel's attention to the answers to the questions you posed a few weeks ago, and in our answers we sought to direct your attention to the trend, not to the snapshot picture of where we are now. As you said, it's the trend that's absolutely important, and particularly for Blackpool which is facing a downward trend, and is competing with many other areas for this licence, which are actually not experiencing the same downward trend, they're on the up. Our information, we talked about the accommodation sector, in particular, we talked about occupancy rates, and I just wanted to bring to the Panel's attention the fact that, re Blackpool, benefits from reports produced every six months by Duxbury Commercial, a local property agency, which since 1990 has been producing these reports for the clearing banks, the reports that clearly influence the bankings view of that sector, and the bankings view on loans. Duxbury Commercial deal with hundreds and hundreds of transactions a year, so their information is based on a very authoritative view of profits and losses and turnover in these businesses, used for valuations. 80% of the accommodation in Blackpool is homes with an income, guesthouses in the 8 to 15 bedroom range, where the owners live on the premises, and the premises provide an income, whilst that's a home. Over the last five years, that massive sector has been characterised by increasing tariffs, stagnating and now reducing turnover. Increasing tariffs and reducing turnover mean reducing visitation, visitor numbers are declining, and the average occupancy in that sector's 20%. That's 20% of, that's 70 odd nights a year, each bed space, that's bed space is full. There is evidence in reports to the banks as a consequence, clearly reducing profits, particularly in the context of increasing operational and premises costs,

so the net adjusted profit is reducing and there's wide evidence that that's effecting investment in repairs and renewals, and I think we often refer to ...

PROF STEPHEN CROW: Mr Haslem, isn't that particular trend inevitable, whatever is done? We've seen all over the country that boarding houses, privately run boarding houses, I mean, it's a very unfortunate trend, it plainly is with ownership and interest, but all over the country, you know, this is happening. And I know of one tourist authority, which is not in Britain, although not far away, that actually encourages the smaller boarder houses to go, and encourages, you know, the multi-star hotels.

MR HASLEM: I would agree, sir, there is a need to remove over capacity, it's generally accepted in Blackpool there is over capacity, but there is a fundamental fact at play here, hotels are not deal makers, the deal makers are the compelling reasons to visit this town, the hotels are deal breakers, but not deal makers. And here we have a barometer of visitation across the town. We're looking at occupancy right across the town, and declining. We'd also draw your attention, sir, to some of the other ...

PROF STEPHEN CROW: Do you have a separate figure, perhaps you've given it to us, and I haven't notice, but do you have a separate figure for occupancy of the better class of hotel?

MR HASLEM: Well, we have a figure of 22.5%, sir, for average occupancy.

PROF STEPHEN CROW: For everywhere?

MR HASLEM: For everywhere. We have evidence ...

PROF STEPHEN CROW: I mean, if I'm to ask the manager of this place, what would I get?

MR HASLEM: We have evidence, sir, of hotels with occupancies of 80% on the seafront, I don't know what the occupancy rate within this hotel is, we have evidence of hotels within, or small guesthouses, in the bed and breakfast sector with high occupancy. We are, it depends largely on location, it depends greatly on the business acumen of the operator, it depends on the quality of the premises. This decline is a consequence of declining visitation of people choosing not to come, and that's only put forward sir, as a barometer, of visitation in Blackpool.

PROF STEPHEN CROW: I take it that you think there's no way that the sort of 1950's scenario could ever be repeated here.

MR HASLEM: Absolutely not, we're pursuing policies of seeking, and have been seeking, looking at opportunities to bring forward amalgamation grants, where perhaps two properties would join together, two ten bedroom properties would join together to create a new ten bedroom. We'd lose ten small bedrooms and create ten larger bedrooms and create a very competitive business, looking also to move the best entrepreneurs from areas with less potential to areas with more potential, to actually encourage adjustment within that sector. But fundamentally, sir, there is decreasing demand for the accommodation.

PROF STEPHEN CROW: I can understand the social, and political problems in being more radical, but has it ever crossed your mind that one ought to be more radical?

MR STEVE WEAVER: Sorry, if I could just come in there? As Mr Haslem said, we do recognise the market demands and needs have changed, and for us to, if we were able to take out a significant number of the lower end, poorer quality properties, which currently fall out of that use and turn into houses in multiple occupation, problematic ones for us, then yes, and in fact we're looking at a housing strategy with Grimleys as to how we could address some of those issues, and at the same time bring quality, non holiday accommodation to Blackpool. But I think the point that Mr Haslem was, using this as a barometer, is the absolute decline in numbers of people staying in Blackpool. And I notice, I'm not sure if he still is here, the managing director of the Hilton Hotel, I know was sat in the room in the morning, looks like he's not. If you were to ask him, or you were to ask Alison, the managing director of the Imperial Hotel, they would confirm that the trading positions for both of those, major flag ship hotels in Blackpool over the last number of years have seen it becoming more and more difficult for them to maintain occupancy levels, and room rates that meant that these properties were able to invest and maintain themselves. They would be given to you, the same level of reduction, all be it from a much higher base, than the sector that Mr Haslem has been referred to.

PROF STEPHEN CROW: I must say I find that rather more convincing evidence than the whole spectrum which includes, I mean I don't want to put my foot it, because there's an awful lot of very

good people doing their very best to run boarding houses in a very situation, so, you know, I'm not unaware of the problems.

MR HASLEM: Thank you sir, it was simply, it's another indicator of an overall pattern, of a decline we wanted to bring to your attention. We also mentioned in these answer, retail rental growth, which is another indicator. If we look at a graph of rental growth, adjusted for inflation, and an index of 100 in 1980, the value for Blackpool in 2005 is 88, a drop of 12 point on that index. The value for Manchester, which of the competing areas has grown the fastest, is 175, on that index. If we look at prime town centre rents, we see a value of £1.20 per square foot for Blackpool, and £320 per square foot for Newcastle, which is the best performer of the bidding areas. We see in Blackpool stagnation in the rentals per square foot over the last ten years, when there's been substantial growth across the country. If we look at average house price levels, which are a good indicator of local economic activity, £116,000 in Blackpool, the lowest again, Greenwich the highest at £224,000. VAT registered business, if we look at the increase in the stock over the last 10 years, the graph shows a minus 6% drop for Blackpool, plus 28% growth in Greenwich which is the highest performer. And of course, sir, we have already given you information on GBA per capita in Blackpool, which is 70% of the UK average, and in any other circumstance would qualify for EU structural funds. So there are many indicators, sir, measuring and giving ...

PROF STEPHEN CROW: There's a question I always ask when I get indicators like that, you know, where one has a spot there and a spot there, is it a straight line, or is it perhaps just about to turn up again?

MR HASLEM: Well, in each case, sir, Blackpool is falling behind in real terms and relatively with national trends. If I can come, sir, to the Pleasure Beach, again a local company, which employs the really useful research company to monitor changes in visitor numbers, their make-up spending patterns and perceptions, of both the Pleasure Beach and Blackpool. The headline results for the period 1999 to 2005, sir, present a fairly bleak picture. One that we haven't issued to you, because of commercial sensitivity, the figures, visitor figures for Blackpool Pleasure Beach, I've been advised by Pleasure Beach, I can forward to the Panel, if the Panel can look at them in confidence, because there are commercial sensitivity factors there, they are reliable, their sources can be checked, The Really Useful Research Company, but I'm sure, sir, the Director of the Pleasure Beach, who is here, will be happy to give you an indication of trends in visitation to the Pleasure Beach.

PROF STEPHEN CROW: Well, I'm quite willing to take your word for it, assuming nobody challenges it.

MR HASLEM: Thank you, sir.

PROF STEPHEN CROW: I'd like to hear from the local industry, quite obviously. And I'll start with Mr Asplin, because you're, Mr Asplin you represent really the sort of people who appear to be affected worst by the current trends, is that right?

MR COLIN ASPLIN: Well, I'm at the sharp end, sir, yes I am. I'm also, my organisation is Blackpool Hotel and Guesthouse Association, and we have over 470 members. And I'm also representing the other largest hotel association, which is the Blackpool Premier Hotel Association, we have over 250 members. So, we do cater for quite a slice of the industry in the town. Over the years, with the casino debate going on, not one of our members have left on the two associations, because of the casino effort, to get into the town, which is a good sign. If I can give you a little bit of background history, in the year 2000 only 3% of the hotels in Blackpool had any form of accreditation and we were slighted at every opportunity in the press and on the TV and we acknowledge this fact. My Association brought in a local scheme, six years ago, and it's now brought that accreditation up to the level today of 40% which is a remarkable achievement, but to get there, it's taken about £60 million of individual money to get to this accreditation level, and the problem is that the people who took out the loans are now struggling desperately to repay them. Ten years ago there were over 3,000 hotels in the town. Today there are 1500. The occupancy level, 10 years ago was 29%, today it's 22% on 1500. Tariffs are not increasing in line with expenditure, hotels are not the deal makers in the town, but they are the deal breakers. Expenditure is going up phenomenally especially in the fuel side, and you can't, we cannot at this time pass that on. There's between 15 and 20,000 people directly employed in the hotel industry

in this town, and there's the same again that are indirectly employed, i.e. laundry men, bakers, taxi drivers, etc. This year has probably been one of the worst years I've experienced in the town and I've been here 13 years. Even the guests are saying how desperately quiet it is. We need to raise the level of this town, and bring in a different type of clientele. We want the shows, we want the conferences, which we have lost, or are certainly dwindling. We lost a major political party this year. And we've got to stop this rot. Our biggest problem here is Blackpool is that we've got nothing else. Blackpool is tourism. There's no major employer in this town that are not seated around me now. Preston is the nearest town, and Manchester, just too far away. So when people go out of business here, either they move away or sign on in the dole queues here, which seems to be getting bigger and bigger.

PROF STEPHEN CROW: You said something that actually interests me quite a lot, and that is that you want a different sort of clientele. To what extent do you think that the sort of person that one would come to the proposed casino would be the sort of person that would want to go to a sort of, 5 bedroom guest house. I just don't know, myself, you know, you're in the business, you must tell me.

MR COLIN ASPLIN: Well, when you have a casino, I have a lot of my guests that go to Las Vegas, and they have a super time. They limit themselves on their gambling and have a great time. But the high rollers that go there and spend a hell of a lot of money will certainly be catered for by the new casino hotel. But Jo Brown, that comes from Bradford, that likes £10 on a Saturday night, is not going to spend that much money. If you're going to back at what Atlantic City did, their biggest mistake, and my Association went to Atlantic City and asked the questions, and the biggest mistake they made was to knock down the smaller establishments, because they then couldn't cope with the overflow from their own hotels. Occupancy levels were very similar to ours, around the 20/25/29% level, they went up to 85% all year round. I'm only talking about 7 months of the season here.

PROF STEPHEN CROW: What's the industry norm, by the way, for profitability?

MR COLIN ASPLIN: I don't know.

PROF STEPHEN CROW: Well, thanks very much, is there anything more you wanted to tell me, just now? No, alright. Mr Cam, please?

MR DAVID CAM: Thank you, sir. As a Blackpool boy I'm privileged to be here to speak to you this afternoon. Blackpool represents an extraordinary number of private enterprises, large and small. Private money invested in private business, and Pleasure Beach, my company is of no exception. We have been trading here now 110 years, it is still in private hands, its fourth generation, which in its own right is an exceptional operation. And perhaps we may be best qualified to judge the trading situation in Blackpool, having watched it for so many years. We have, for those 110 years, been reinvesting our profits in our future. And the most famous single investment was in 1994 in the Pepsi Max Big One, which raised the profile of Pleasure Beach itself, from a regional attraction to a national, if not international attraction with a world class, world beating roller coaster. And that helped us, together, move Blackpool, with Pleasure Beach into the record breaking numbers which we've been talking about earlier on, at about 7 million visitors to Pleasure Beach. Since 1997, when those numbers have started to decline, we've invested some £55 million in Pleasure Beach alone, and that has gone into various rides, attractions and infrastructure improvements, again private capital, supported by our then confident bank. But our profits are reducing considerably. Indeed, last year we made a loss, and I anticipate that this year we will do the same. We have offered world class rides and shows, and Van Hallah was another world class ride, and our shows in Mystique, Eclipse, and the Hot Ice Show, which this year is celebrating its 70th anniversary in the same venue, the longest running ice show in the world, are all world class. But still, as an attraction, linked with Blackpool, we are together in decline. Last year, our numbers fell by 7% and this year we expect them to fall by a further 7%. That clearly reflects heavily in our revenue. Our per capita spends are not increasing to make up for the reduction in numbers, in fact per capita spends remain flat, and we find that with 90% of our visitors, which is a figure which regularly comes out of our surveys, which have been referred to by Mr Haslem, reveal that 90% of our visitors are from social categories C and D, and their potential, therefore, for increasing their spending considerably is not there. We do need, therefore, a vast increase in the number of visitors, in order to maintain the dynamism and the

change which Pleasure Beach has been famous for, these last four generations or more. But at the moment, economic circumstances dictate that we must, as you heard earlier from Mr Edwards, make redundancies and at the moment our consultation has been undertaken and we will be losing a considerable number of our long term and loyal, permanent staff. Something I dare say, but it has yet to be decided from the consultation process, but in excess of 20% of our permanent workforce. That has to be the case in a company which is in decline. We would like to invest our way out of this situation, and we have done so very well, in the past, as I have said, with major investment in major capital equipment, The Big One was £13 million, Van Hallah was £15 million, and we have a new ride planned for next year, which we'll probably proceed with, but beyond that, we cannot see.

PROF STEPHEN CROW: Would it be fair to say that you're working very hard at investment, working very hard at marketing, and you've got sort of national, social and demographic. You don't have to believe everything I say is fair, of course, but I do want to know if that's a good summary.

MR DAVID CAM: Sir, I think the answer is image. And I think the image of Blackpool has suffered considerably over the last few years. And what we need, it was described by Mr Weaver in his opening statement, is a wow. Blackpool is famous for entertaining people, and we are now rather short of new wows. This proposal gives us a wonderful opportunity, which is long overdue, which will give the confidence for people to come and invest in Blackpool, for Blackpool people to invest in Blackpool, including ourselves, and generate, along the Promenade, a ripple effect that will be second to none. And that ripple effect will mean new attractions, new hotels, the Carousel is a new, a rejuvenation of an old hotel, the Big Blue, which you will have passed is a brand new hotel, the first brand new hotel in 25 years, which we have built, at private expense again. But more of those will attract more people, who are either lapsed visitors, or non visitors to Blackpool, and we are absolutely satisfied that to do something extraordinary and special, for which Blackpool has, in the past, been renowned, ever since the opening of the Tower in 1894, we believe, sir, this is an opportunity for us to rebuild Blackpool for the 21st century, in 21st century style.

PROF STEPHEN CROW: Is there any direct connection, or perhaps its just an indirect connection, but is there a direct connection between the sort of people who would go to casinos, I had a dismal description of such people the other day, from someone who clearly didn't like them, of just being rows and rows of middle aged women, with long faces, putting money in, getting money out and then putting it back. Probably she was exaggerating; the other side certainly said so. But is there a sort of connection the sort of person who would go to a casino and the sort of people that would go on one of your quite splendid rides, which frankly frighten the life out of me.

MR DAVID CAM: There is, sir, I think it's called families. Families come in all ages, by definition. And Pleasure Beach was always designed to accommodate those, from 18 months to 100 years. Our Chairman died last year, aged 101 and was still riding. So I think there is a great connection, and Pleasure Beach is built upon Blackpool, and Blackpool is a family environment, and has provided exactly that great mix of indoor and outdoor entertainment for all ages, for ever. So the answer to your question, sir, is entertainment and different people enjoy different types of entertainment, at different times of the day and different times of the year. And our job here is to bring the 21st century wow into, onto our Promenade, so that we can all share in the advanced numbers. So it wouldn't just be ranks of ladies coming to play slot machines, it's everyone who comes to have a look. And many people will come to Blackpool if only to look at the casino, as I go to Las Vegas, because I don't enjoy gambling, but I enjoy Las Vegas enormously. And I go to enjoy the buzz and the entertainment that the city as a whole provides.

PROF STEPHEN CROW: Of course, it's not just machines, is it, I know the casino, both the casinos I've personally visited have a, one of them, the Dortmund one has a hall almost the size of this, and they were advising, I think the night after I was there, some replica Beatles, I don't know whether the copyright owners knew that, but they were clearly expecting a good crowd to come and enjoy themselves.

MR DAVID CAM: Well, sir, a sign of the decline of Blackpool is we used to have 14 theatres, and we now have 5, I think. That's a sign of the decline, not only in the number of visitors to the town, it might be 6, I beg your pardon, because we have 3, but not only a sign of the decline of the town,

but also the number of overnight stayers, and the number of people who are enjoying the nightlife in Blackpool as they used to.

PROF STEPHEN CROW: Well, thanks very much, Mr Cam. Can we hear from Mr Hemmings, from your own point of view of that sector of the local business community?

MR CRAIG HEMMINGS: Thank you very much, Mr Chairman. First of all, I'd to echo a lot of Mr Cam's sentiments and comments, and what I'll do is focus on, what I understand is the trend. Just by way of background, I represent Leisure Parcs, who are operators of the Blackpool Tower, the Winter Gardens, the three major piers in Blackpool, we have a number of family arcades, we're also joint venture partners with the Sealife Centre and we own Louis Toussaud's Waxworks, as well as Pontin's Holidays, at the Southern end of Blackpool. So I'd like to think that we have a reasonable spectrum of knowledge of various operations within Blackpool. We first came to Blackpool in 1998, and I can again echo Mr Cam's comments that since that date we have seen a steady decline in visitor numbers and visitor trend, into Blackpool. By trend, I'm also referring to the type of stay, what was predominantly a week's holiday, or a three or four day trip, is now, in our experience, more likely to be a day visit which I presume is one of the major contributors to the decline and very low accommodation numbers in some of the hotels. If I may digress for a second, Mr Chairman, up until earlier this year, we were owners of the 3 star Savoy Hotel in Blackpool, and whilst, when our average room rates and accommodation levels dropped to very low levels, beneath 40% we felt that that hotel was not viable for us, as a business, so we have disposed of that hotel. Coming back to the point I'm just making, that the trend to us one of decline, and as a major operator, whilst we do invest significant amounts of money, annually, we invest north £4 million per annum in the upkeep of, and you can imagine the Tower is not an inexpensive building to maintain the high standards, but we invest north of £4 million per year, across our businesses. That is not just upkeep, that is developing those businesses, but we are fighting, in our view, for ever smaller cake. We do support very, very strongly the Council's drive for a resort casino, and that, from our perspective is that we believe it will be a significant catalyst to regenerate the town, and will be one that will give us immense confidence to invest significantly more in our existing assets.

PROF STEPHEN CROW: Do you see a direct synergy between casino patrons and sort of activities that you preside over?

MR CRAIG HEMMINGS: I do, the predominance of our businesses are family. And yes, I accept that there is an over 18 area within a casino, but as you yourselves have noted, casinos are a gamut of entertainment these days. You will have a Madame or a Louis Toussauds within the same building. You will have restaurants. You will have, I believe, in Las Vegas they have the forum shops, possibly the most exclusive shopping precinct in the world, alongside fabulous entertainment and very, very good accommodation. I see it as, really, one huge entertainment experience. And as a company who has businesses around that, are we concerned about massive business loss. We're prepared to fight for our corner. We believe an influx of people into the town, will improve our standards, will encourage us to spend, and we will hopefully prosper from that.

MR NEIL MUNDY: Can I come in, Mr Hemmings and Mr Cam have made some very important points, and the word confidence was used which I believe is fundamental to this discussion. You're both major investors but to turn the structure of the economy around of the town, takes a little while to do. What sort of signal would the announcement of a regional casino for Blackpool have on major investors? Would it have an immediate effect, or would they say well, it's going to take 3 or 4 years for this to really sort of feed through into the system? Do we have enough time?

MR CRAIG HEMMINGS: Immediate effect, in the sense of certainly planning, and if I put it in very simple grade listing contexts, one must plan very carefully what anyone would do in the Tower. We do have thoughts and aspirations for what we do in that building. So it's not an immediate fresh start, but we will have to take careful consideration in terms of planning. We believe there may well be very sensible opportunities for us, with the piers, immediately, as they are in proximity to where the potential resort casino would be. So our starting point is immediate, the delivery is all about planning and time it takes to construct.

PROF STEPHEN CROW: Thank you. Thank you, Mr Hemmings. Mr Asplin, did you want to say something more. Oh Mr Barnett, I'm so sorry, Mr Barnett we haven't heard from you today, and

good of you to come along, I think you're the only person that doesn't have an attribution under your name.

MR JOHN BARNETT: Well I see if I may correct that. My John is Barnett, I'm a local businessman, born, educated and live here in Blackpool. I'm the founder and current Chairman of Radio Wave, the local radio station, which not only covers Blackpool but also the surrounding towns, and I sit with Mr Cam here, as I Chair the Blackpool Business Leaders Group. And I feel I have an ear to all types of business throughout that area and not just tourism. We've heard very much about tourism related business, but I do feel I have an ear for all types of business that operate within this area. I also feel, in the position of Chairman and founder of the radio station, that I represent the people who live, work and learn in Blackpool, of which I know a huge majority are in support of this Master Plan. We do need a town that is busy 12 months of the year, and not just a few holiday weekends. And regarding the comment just made earlier from the Panel, with what effect will it have from the day of the announcement, I believe it will have a huge impact, for the whole of Blackpool and the surrounding area. It will reverse, immediately, the spirally decline in morale, as well as businesses. We have a decline in morale of people who are working and living within the town. The talented sons and daughters of Blackpool families will not have to continue leaving the town, because of the lack of opportunities in employment. And high street retailers, I feel will return to the town. And I'd just like to echo the comment, or the thought that might be coming from the Panel, are we painting a blacker picture than what is, that really is. I can assure you on behalf of the people who live, work, learn, operate businesses within the town, there is a serious, serious decline and a problem. One other thing which I'm keen to hear about, and I hope there's time to hear about this is the fact that the casino is a mechanic to bring in a conference and leisure quarter, to the town, which is very important for the people who work, live and learn within the town, to bring business, to bring people in, not so much to gamble, but to have that conference and leisure quarter, is so important, and I think that will happen immediately we hear the announcement, providing it's the right one.

PROF STEPHEN CROW: Thank you very much, Mr Barnett. One of the things we'll be looking at in a minute, is just whether that particular aspiration of the casino, bringing in other leisure facilities, is realistic in terms of property and investment. I think now I ought to, oh no I won't, I shall ask Sir Peter Hall as one of the town's most leading brilliant people, who sought your career not in the town, all around the world in fact. Sir Peter?

SIR PETER HALL: Thank you Chair. I represent this afternoon Re Blackpool, of which I've the honour to be Chair. Re Blackpool is a new style urban regeneration company, generously financed 50% by the borough, and 50% by the North West Development Agency, and we are grateful for that support, but we are an independent body, with an independent board. But we are charged, directly as you've heard this morning from Mr Weaver, with delivery of the Master Plan and we are all, jointly and severally, committed to that delivery. You've heard from those best qualified to speak, the problems this town now faces and I must say that I took on the job of Chair, in fact I applied for it, because I was a long term resident of this town, as a child and as a young man, and my parents lived here for 40 years, and I was deeply shocked to attend a school reunion, 50 years on, to see the state to which the town had declined. Now, the problem, I believe is, that the facts of decline are very, very clear and are known to everyone who has to run a business in this town. But it's also important, and here I'm wearing an academic hat, to place this within a more general context, and to begin to compare us with other UK cities and town, and in particular with our 6, formally 7 competitors, because one of those was, is two of them were, in London, and 5 others are of course, UK core cities, as the parlance goes, the leading cities of this country. Now, the evidence, I think, which you yourself, wearing your academic hat will be familiar with, is that Blackpool is different from those places. Its performance over a long time has been significantly different and significantly poorer. Research which a team of us, at UCL did, and published 5 years ago on the whole performance of British cities and towns over the entire 20th century, showed that Blackpool was one of group of declining towns, where the decline had been concentrated in the last 40 years, basically since 1965 and 1998. More recently, as you will be aware, the major report, commissioned by the former ODPM, from Professor Michael Parkinson on the State of the English Cities, again shows Blackpool to be grouped in those charts, in that huge report, in the lower part, and in a position which it shares with some other seaside

resorts, but also with many medium sized ex industrial towns in the North of England, which you could broadly call non-core cities of the North. And the important point here is that the core cities have been relatively stable over that period. Some of them improved, some of them have gone down a bit. And that is in fact the difference between them and us. We are about as equally deprived or almost as deprived as those cities, and the important though, is that they have shown the capacity to regenerate. They are well on the way through this process, and for them, as Mr Weaver has said this morning, a casino would be the cherry on the icing on the cake. For us, it's the cake itself. And even the loaf of bread. We just do not have any other way we can see to regenerate, to kick start the regeneration of this town. A moment ago, you suggested that perhaps all the hotel owners and others in this town were swimming against the tide. Well I think they'd all agree with you on that. But the problem therefore is that we have to reverse that tide, in the same way as places like Manchester, Sheffield, Newcastle, reverse the tide by building a new economic base, in the 1980s and onwards. And that is our need, and we cannot see any other way to do this than by kick starting the process through the regional casino, but then using this, and it's most important, we have never said we wanted a casino for itself. We have said we wanted it first, as the core of our conference and leisure quarter, and that would be delivered in the very first stage, because we would, if Blackpool obtained the licence, only accept a bid that undertook the provision of the whole complex. But that for us is just the start of a process that would then ripple on, for as long as 25 years, and that explains the huge ambition of the Master Plan, which we are committed to deliver, but only over that long period. However, the critical point remains, that without the critical mechanism to kick start the recovery of this town, we cannot see any way but manage to decline. In other words, there is no plan B, there is a plan C, D, E, but it depends on plan A, which is the casino, and without it we can only see a plan Z, which in effect is to provide for the long term contraction and decline of the town, not I fear a very enviable prospect.

PROF STEPHEN CROW: Well thank you, Sir Peter. As one of the country's leading geographers and development experts, do you really feel that the tide can be swam against? You must be aware that in quite a lot of academic quarters there's feeling that not only it can't, but shouldn't be. I don't know where you want to put yourself in that sort of academic spectrum.

SIR PETER HALL: Yes, one has to be realistic in all strategic planning, does one not, one has to take the situation as it is, project it and then ask what kinds of mechanisms, what kinds of levers could affect a long term reversal. And I think we have some experience of that in this country. 25 years ago, Michael Heseltine faced the complete collapse of the London and Merseyside Docklands and he very boldly set up urban development corporations, that spectacularly turned the tide in London and more slowly, but now bearing fruit in Liverpool, and that was followed by similar successes in Manchester and other cities, in a second wave of the UDCs. Likewise, if you take the story of casino, Las Vegas was an insignificant railway junction in the middle of a desert in 1930, and it's now, as you may know, one of the two fastest growing cities of America, and although it may sound extraordinary the latest projections coming out of the United States is that by the year 20/30 Phoenix will be the largest city in the United States having overtaken New York and Las Vegas will be the second city of the United States. And of course there are many other cases, such as Atlantic City. And most spectacularly noted in the Financial Times, only this week, the case of McCall, a very small and totally declined Portuguese colony, when I visited it in 1984 has now spectacularly launched itself on the basis of casino gambling. And in that special article in the FT they are predicting that it will overtake Las Vegas as the gambling capital of the work, within 10 years. But the important point here is, that we are seeking to regenerate ourselves in an area which we know best, and is the only area we know that is the tourism area, and leisure and entertainment complex area. And there is no other way that Blackpool could ever do other. We aim to turn this from a declining sector into a growth sector, and we know that it can be done. We also know, from the experience of Las Vegas, which we've, Mr Haslem has examined in great detail, and my board also, with expert advice from one member who has vast experience of casino gambling worldwide, we know that in those places once you launch the economy on the basis of casino gambling, you build more and more multiplier effects on top. So that, for instance, in Las Vegas today, only 40% of the income is coming from the gambling, and 60% from activities like retail, and eating and drinking, and the latest trend in Las Vegas is celebrity restaurants,

which are bringing in huge amounts of income into that city. And it's that kind of virtuous cycle that we would aim to be pursuing, over the next ten years. But we can only do it on the basis of the casino conference leisure complex.

PROF STEPHEN CROW: Thank you, Sir Peter. Can I hear quickly from Mr Kuit of Preston? Could I just mention that I had to choose between inviting you or a representative of the Fylde district, and well, you're here?

MR PETER KUIT: Thank you, I'm very honoured to be here, sir, and I am representing Preston City Council, I'm here on behalf of the Chief Executive. I've prepared a short statement, which I'll try and get through reasonably quickly. And it shows our consistent approach to supporting ...

PROF STEPHEN CROW: If you could summarise it, it would help.

MR PETER KUIT: Well on the 22nd March we wrote to the Panel saying that we would not ourselves be submitting a bid for a casino, for a number of reasons, but one of which we were concerned about the impact the Preston bid would have on Blackpool's ambitions. We remain firmly of the opinion that the regional casino should be located in Blackpool as it is fundamental to its desperately needed regeneration. I'm just hammering home a theme that's coming out now. Later on, in participating in consultation on the regional spatial strategy, I wrote as Chair of the joint officer, on behalf of three councils, the City Council, South River and Chorley Councils to the North West Regional Assembly and gave our collective, full support for plans and strategies that reflect Blackpool's position as the priority location for regional casino development in the North West. I went on to say that tourism underpins the local economy in Blackpool. This is in contrast to the local economies of Manchester and Liverpool City regions, which have economic drivers other than tourism. In view of this, the long term economic regeneration of the resort needs to be protected to ensure that the significant contribution to the North West economy of this potential world class destination is realised. For the last two years, and this is unusual at the level of joint working in local authorities in this part of the world, for the last two years, the City Council has worked closely with Blackpool, and other Councils to develop the regeneration programme for the whole of the central Lancashire City Region, as defined in the government's northern way initiative. This pioneering work requires all of the Councils to pull together, and for each area to play to its strengths. Above all, careful analysis has demonstrated that at this point in its illustrious history, there is no realistic alternative to the regional casino for Blackpool. If the Panel supports Blackpool then the regional casino will go ahead, and unlock a much bigger regeneration package, with all of its attendance benefits. As well as valuable new jobs, and either side of the resort, tight boundary support will also be given for the growth of Blackpool Airport, an improved national and rail/road links, all of which are of mutual benefit. There is all party support from Preston City Council for the proposed regional casino in Blackpool, which is only 15 miles from Preston. The need for this is regularly enforced by trips for business or pleasure, when the resorts decay is sadly more and more evident. Preston City Council therefore agrees strongly with Blackpool Council that now is the time to press ahead with the regional casino. And finally, on a personal note, Chair, I've struggled to think of an accessible analogy for this predicament we're all in here. If this was the first heart transplant opportunity then there would be only one choice, Blackpool will die without the regional casino.

PROF STEPHEN CROW: Does that mean that you accept that there is a degree of risk?

MR PETER KUIT: As in heart transplant surgery? Yes, there is a degree of risk, because we're dealing with an economy which is dynamic. We're trying to predict today that the casino will be of economic benefit in the future, and it is the only thing that we're predicting for Blackpool's future.

PROF STEPHEN CROW: Well, we will be exploring that in a minute or two, but before we do that, I take it Mr Biesterfeld that you, I mean you accept that the town is declining, do you?

MR DAVID BIESTERFIELD: I accept that it has declined, I accept that it needs investment, but virtually everything else that the six speakers, who are putting the other case against my one, assisted by Mr Edwards and Mr Bate, I'm afraid I strongly disagree with, and I would like the opportunity to ...

PROF STEPHEN CROW: So you think that the decline will level out, do you?

MR DAVID BIESTERFIELD: So could I mop all those questions up, perhaps in one hit. There's an awful lot of points which the speakers have made, and I'm afraid I've got a few comments on

all, but there's also a number of important general points on the Pion Study, which I suspect we are going to have to deal with, within this particular part of the debate.

PROF STEPHEN CROW: We're going to deal with them fairly quickly, I hope.

MR DAVID BIESTERFIELD: That's the problem, there's a great deal there. Shall I crack on, and see what I can do. I'm going to deal first of all with a few of the comments that others have made, but the first and foremost thing to say is all of them have a single theme, and that is the 2003 Master Plan. I'm sorry, but the 2003 Master Plan is entirely predicated upon the basis of 4 or 5 regional casinos. That is not legal. Like it or not, the law presently ...

PROF STEPHEN CROW: That's a fairly good debating point, but is it your view, based on your considerable knowledge of the business here that the decline will, for reasons other than having a new casino, level out or possibly turn the other way?

MR DAVID BIESTERFIELD: I do take that view, and I take it for these reasons. Firstly, our own personal experience, I don't demur from Mr Cam's expertise at the Pleasure Beach, he's been here for 37 years, we've been here, I think for about 27 years, but I think over the distance we're about to speak with considerable authority about Blackpool, particularly about gambling which is our core business here. So we know the town. We don't see this picture. Our admissions have been rising steadily for the last few years. We reckon we've grown by about 10% per annum over that period of time. We attract over 4 million people a year. We are Blackpool's second busiest attraction. We do not see this basket case scenario that the Council push out. It's not just that we don't see it. It's also backed up by some of the economic data. If we get the chance I'd like John Dobson from NERA to deal with this, he's better to do so than me, but if we don't get the chance it's in his report and it's empirically set out, and I do invite the Panel to bear in mind that we are the only party to this process subject to ...

PROF STEPHEN CROW: Why are you doing better than all the people on the table opposite you, do you think?

MR DAVID BIESTERFIELD: I think because we do it extremely well, and let me come on to that. The doom and gloom that's coming from Mr Cam and from Mr Hemmings, it's not for me to speak about their businesses, but all I can say is my company would give it's high teeth to own the Pleasure Beach and we'd love to own all the stuff Mr Hemmings' owns, and if we did own it we would invest in it, as we've done in Coral Island, and as we've done on Brighton Pier to make it the best pier in world. That was in just a bad a condition, and Brighton was in just as bad a condition as a town as Blackpool is now, when we made that commitment in 1984. We spent over £30 million on that pier, and we're extremely proud of it. It's the third biggest attraction in the UK, incidentally. So we don't buy that particular basket case scenario. It's not just the question of the economic data, however, it's also a question of what is actually going on. Now, I tread on very thin ice here, 'cos I hate to disagree with somebody as eminent as Sir Peter Hall, but I'm sorry again that I don't agree with him. At the end of the day, the URC has been established. I congratulate Blackpool for taking the initiative to get it established, I think they're a great team, I'm sure that they'll do extremely well, but it is simply disingenuous, and I put it as strongly as that, Professor, to say that there are no options. And indeed, in the NWEA support, supporting document, that support of Blackpool's bid for URC status, there is a passage beginning at page 35 which goes through to page 37, which sets out the case, and indeed the position, entitled Blackpool URC without casinos. And it recites that there is strong interest from retailers, well we know that. One of the other gentlemen said oh well retailers will come back. They already have done, there's a £30 million extension to the town centre going on right not. That's not awaiting the outcome of the casino bid. We have here, a passage which says Blackpool URC without casinos would result in, it's a confident statement. Development of existing attractions and investment in new attractions, as a result of the proposed URCs activities, existing attractions would begin to invest and enhance their offer. New attractions would be developed, including the entertainment heritage centre. This would contribute to improving Blackpool's tourism product. Next, more attractive conference destination; a new conference would be developed. No predication on a casino, it will happen. That's what the Council want, that's what they'll get. That's part of the advantage of having this URC status. Sir Peter Hall referred to Michael Heseltine's success in those areas, we all know about that, they're not peculiar, lots of towns have regenerated. By definition, none of these towns have needed a regional casino in order to

do so. Next point, improvement in the quality of the accommodation stock, the quality of the stock of accommodation would improve. It goes on longer than that, but to cut it down. Visitor numbers would increase due to improved visitor offer. So, and the list goes on, enhanced retail offer, increase in employment, improvement in educational attainment skill levels, community and social benefits. All these things, according to official documentation which the Council has relied on says that's the case, and it is not appropriate, in my view, for them to come to this committee and say that there is no option. It certainly is not what many references from the Council say in other contexts. So it's a question of your audience, I'm afraid. Sir Peter Hall made a lot of reference to Las Vegas, and of course, we've heard a lot about Atlantic City. I'm sorry, again, these cannot be the model. The legal framework permits one casino. Las Vegas, as everyone knows, arose at the time it did because there was no other gambling in the US. Indeed, the other major locations for gambling arose in the same environment. So they are simply not comparable. Mr Cam talked of the wow factor of Las Vegas, well, lovely, but I'm sorry, it's not going to be the case in Blackpool.

PROF STEPHEN CROW: Well, of course, we have studied the United States situation, all be it from the books rather than expensive travel.

MR DAVID BIESTERFIELD: The point is the bid that is put to you, and it's interesting to note how this is returned time and time and time again by those proposing it, it is still seen as a means of achieving the Master Plan. It is supposed to be, lead on to 4 or 5 casinos. Again, I'm very sorry but the law does not permit that, and it cannot be within the remit of this paragraph to assume that the outcome of the prevalence study in a number of years time is going to lead to a complete lifting of the pedal to allow lots and lots more.

PROF STEPHEN CROW: Well, of course, the remit of this Panel, as you know, and I think everybody knows, is within the existing law. So, I don't think there's any need to repeat that. Incidentally I said that we'd studied the books, I've studied the books, one of our members has practical experience of working in that industry, in the United States.

MR DAVID BIESTERFIELD: Moving on, Las Vegas is, I think, one of the fastest growing, if not the fastest growing city in the US, but I believe that primarily because of the jobs in the High-Tech centre, it has a wonderful climate for that sort of industry. So yes, we can all quote these examples, but it's like everything else with this bid, unless you get into the detail, there's an awful lot of, I think, lines of enquiry which maybe don't lead anywhere. Moving on, I think I've probably dealt with what I need to say about what the others did say, except perhaps to pick up on your comments, Professor, about the entertainment aspect. I think two things to say about that, Mark Echers, who I know is in the room, is one of the leading proponents of this bid, I think he advises Blackpool Council. Even he has conceded, in an interview to The Stage Magazine, that this casino, if it's established in Blackpool will not lead to Las Vegas style shows. There are, already, lots and lots of acts like the one you show in Dortmund, we ourselves put them on in Coral Island, so the pattern shows and live entertainment, the pattern of all of that is, I'm afraid, a rather bogus model to work on. What one can say, is if you take the Atlantic City analogy, it is actually extremely difficult to find any huge preponderance of entertainment there. They do it on a Saturday night, occasionally on a Friday, but there's not a lot of major reference than that.

PROF STEPHEN CROW: I do want to press on, because we've got a lot of quite detailed material

MR DAVID BIESTERFIELD: Indeed. Can I just deal with it in this way, because there are some basic questions on this front? How bad it is? The answer is, of course there's room for improvement, of course we need investment. The NERA report explains that things are not as bad as Blackpool make them out, there are green shoots. In addition, if you look at their report, at para 3.3 I think it is, there is a list of the ongoing ...

PROF STEPHEN CROW: Well look, we're going to read this so ...

MR DAVID BIESTERFIELD: I appreciate that, but it's important you appreciate it because the others have had their say, that there is about £650 million worth of regeneration expenditure already underway, clearly planned, which is in no way dependant on regional casino development. So again, it's a myth to say that we must have a casino to see re-investment. On the same theme, private sector investment. We've certainly invested, the Blackpool Pleasure Beach, as Mr Cam has said has invested. Its plain from what Mr Hemmings said that his company knows it

needs to invest in its assets and has got the resources to do so. If they don't want to do it, no doubt they'll sell the assets and somebody else will. They need investment and that investment will flow. The problem with the bid situation is we've had six years of bid blight. The significant evidence that actually all this discussion that's gone on for six years now, has been a disincentive for investment rather than an incentive. The Council are known to have turned away, they say there's been no development interest in the CCQ for 30 years, again not true. We had discussions in the mid-90s with prison developers who wanted to build a big retail scheme for us.

PROF STEPHEN CROW: Can I cut you short there because I do want to listen to other people Mr Biesterfield.

MR DAVID BIESTERFIELD: Yes, I do feel, Chairman, there's a lot of other points to make, and obviously my opponents have had a lot of time.

MR JAMES FROOMBERG: We have questions as well, Mr Biesterfield, we'd like to have an opportunity to put them.

MR DAVID BIESTERFIELD: I'll refer you to the documentation.

PROF STEPHEN CROW: We have a lot of, I think, quite awkward questions to ask of the Borough Council, and if we lose the time then we'll lose the opportunity to ask them. Mr Edwards, very quickly, did you want to support what Mr Biesterfield says, or add something different?

MR MICHAEL EDWARDS: I support absolutely what he says, and I would have been delighted to give him my time, to make the excellent points that he's making. But I would like to refer to two points, one of them was that Sir Peter Hall said that the conference centre would be delivered in the very first stage. Re Blackpool submitted a planning application on the 8th August, they submitted with it a document called The Non-Technical Summary of Environmental Statements and that was 8th August, 2006. On page 6 of that document it says, "the phasing of the conference and casino quarter has not yet been finalised as the proposals have been designed to enable flexibility in their phasing. However, three potential options have been identified, all of which ensured the delivery of one regional casino, its associated hotel and related access and car parking in the first phase. The development is anticipated to commence in 2008, be fully completed in 2010." No mention of the conference centre which Mr Asplin was determined we should have and we need. I turn to page 12 of that document and it says, "the coastal defences of Blackpool are presently undergoing an extensive upgrade between the Sandcastle development in south shore and the North pier". That's a four year programme that started in September last year. This is the important part, "it is likely that any demolition or construction work at the conference and casino quarter will occur after the completion of the flood defences". So what you're doing you're putting back the start of the casino complex, if it's granted, until after that work's completed, in three years time from now. And you're then saying that the conference centre will not be in the first phase, three years, starting three years from now. So really what we have is a conflict there of what Sir Peter Hall has said to you, and what the fact is in their own document in the planning application.

PROF STEPHEN CROW: Thank you, Mr Edwards.

MR MICHAEL EDWARDS: And secondly can I just say this. Mr Cam knows that I've personal experience of the success of his Big Blue hotel, because his number is one away from mine, and I get now, something like 3 or 4 telephone calls each week, for accommodation at the Blackpool Big Blue hotel. His occupancy rate is terrific because he does it right.

PROF STEPHEN CROW: What's your average occupancy rate?

MR MICHAEL EDWARDS: Sorry?

PROF STEPHEN CROW: What's your occupancy rate?

MR MICHAEL EDWARDS: My occupancy, I've got a family of three, is that important.

PROF STEPHEN CROW: No, in the hotel, did you say you've got a hotel?

MR MICHAEL EDWARDS: No, sorry, the Big Blue Hotel, I'm saying when he does it right, he's good occupancy.

PROF STEPHEN CROW: Oh, I do beg your pardon.

MR MICHAEL EDWARDS: I get telephone calls, 3 or 4 times per week, asking for accommodation at the Big Blue Hotel, which Mr Cam knows, I complain bitterly about. I've promised I'll refer them to the Hilton if he doesn't get it sorted out.

PROF STEPHEN CROW: Councillor Bate?

COUNCILLOR BATE: Thank you, Chairman. At every opportunity for the last few years, Mr Weaver and such like have said that I've only got a moral case, and so on every single opportunity I never say anything moral or ethical and only talk about the economic case because I am absolutely convinced that there is a very strong economic case against this. Can I just start off by saying that? Most of the public, political and business support for the super casino trial is based on the false perception that there is nothing else on offer. For most of the past 6 years, all of the Liberal Democrats, all of the party members, all of the councillors, most Conservatives and most hoteliers have said, there must be a Plan B, at least just in case. That is so important, and we've been saying it. At every opportunity I've said, put it on the open market for expressions of interest at least. The Estates Gazette used to ring me every three weeks, is it going to go on, you know, can we seek expressions of interest?

PROF STEPHEN CROW: Do you have a Plan B, Councillor? Can you say what it ought to be, I mean Mr Biesterfield has given an account it.

COUNCILLOR BATE: If you don't advertise it, it won't come forward, will it? That's the point. If you don't go in the Estates Gazette ...

PROF STEPHEN CROW: Good debating, but is it actually, I mean why should that help us?

COUNCILLOR BATE: What I'm trying to let you understand is, the only reason we're here in this situation is that they have refused to have a Plan B, because if you have a Plan B, I can tell you that 80% of the public would prefer it, whatever it is, they would prefer it. Storm City has been talking for some years, about their ideas. Now, they re-launched it a few weeks ago, and as a result the Council did seek expressions of interest for a secondary site, actually a bigger site, what I call the area around the gasometers, and nearer the football ground, and I understand they've 4 or 5 expressions of interest to build something. And I can tell you in a few weeks they'll be a big announcement about an environmental, a sort of rainforest based, very, very large attraction, with accommodation in it, very high, along the lines of Storm City. But they have, they're the ones that have fought the system, because they haven't, nobody else has been encouraged. A big ski plan, Snowdome was discouraged from coming. Xanadu Project, another big ski project was discouraged. I visited a similar one near Pontefract. It's a fantastic success with shops and cinemas underneath it, it's an indoor ski thing, near to a big retail project. And this is in a coal mining area, this is not in a touristy area, it is a big attraction. They are there. How can anybody believe that nobody would want to build some sort of attraction in the busiest site in the country, between 6 and 12 million people walk past this Central Station site every year. I just do not believe that nobody wants to build on it.

PROF STEPHEN CROW: I think you're getting a bit repetitive, if you'll excuse me saying so. Just a quick word of response from someone on this table. Mr Weaver?

MR STEVE WEAVER: First of all could I pick up the context in which Mr Biesterfield referred to the other options in the report which was put forward, which you have to consider options within the URC, with casino, without casino. We were asked and we had to provide that. The option, the context within which he's read out those options, are ones with substantial, additional cost to the public purse in order to allow those things to happen, and producing a resort of much smaller scale in size, and with much fewer outcomes. And we're talking of much substantial, a national, international conference convention facility in Blackpool, unless it was being supported by this kind of proposal, and that's a fundamental part of us having an all year result. With regards to the expressions of interest, I know there is no viable expression of interest that has come forward to the Council to date. And I believe that the interests that Councillor Bate has just referred to in terms of the rainforest project, I think the Panel will have a letter from the sponsor of that project saying that that project can only go ahead, if Blackpool has already had a casino as a catalyst to that going forward. I myself have received a presentation from Storm City, and when asked basic questions as, "in your proposal how much would it cost to acquire the land", do not know, other technical people will have to answer that; "how have you worked out your development costs", do not know, other people will have to work that out; "how many people predicated on coming to that", do not know, other people may have to answer that. Our existing attractions, the Pleasure Beach, the most successful destination theme park in the country is not able to make a living, and that does not have to acquire land and property and build things to make people thing. The Tower and the piers, and similar attractions are struggling, and they do not have acquire, put

forward development costs to bring people here. No one has come to my doorstep with any viable option. Yes, there is interest in building more retail on the Central Station car park, that is not what we want in Blackpool for that key site to be a retail park. The Hounshell extension is a refurbishment of an existing shopping centre, with a Debenhams store being added. The developers there, Modus, have made it absolutely clear that the potentials for phases 2 and 3 will only go ahead if we've had this catalytic development. We've put out expressions of interest in the North Station site and are in discussions now, Re Blackpool are in discussion with three developers who are there. They have made it absolutely clear to Re Blackpool that the level of investment and commitment to that site that they would be willing to make is markedly different with a Blackpool, with a casino location decision and without a casino location decision.

PROF STEPHEN CROW: Well, thanks very much for that. I think I've had enough evidence on this particular point. I just want to get on to some of the more interesting details. And I know that Mr Froemberg's very anxious not to say, no I'm not going to say impatient, how could I, but to get on with asking you about the job numbers involved, and the evidence that would support the actual numbers.

MR JAMES FROOMBERG: Thank you Chair, we will start will jobs, please, but we will also between us move on to the other sort of two headline outputs, that you talked to us about in your proposal around visit numbers and investment. But on jobs, I think you suggested to us, in your proposal and what you're saying today that under the model of one regional casino, you're projecting some two and a half thousand new full time equivalent jobs, you've made that up from, I don't say made it up, sorry, it comes from 4 components, 1500 direct jobs in the casino facility itself, the Panel does not need any further evidence on that. 300 further indirect or multiplier type jobs through the supply chain, and at this stage we don't want further evidence on that. You've then discounted that by 350 jobs on the grounds of displacement, we would like some evidence on that please, as to how you came to the view and the conclusion that 350 of the 1500 direct jobs would be displaced and not either a larger number or a smaller number. And then the fourth component, you've described as just under 1050 jobs would come from new visitors. We'd like to understand what you mean by that, is that additional visitors because of the conference facility, or is that something else? So it's the displacement jobs and the new visitor jobs that we'd like to understand where they came from please?

MR STEVE WEAVER: Thank you, could I ask Dr Twomey to deal with all of those?

PROF STEPHEN CROW: Dr Twomey, thank you.

DR JIM TWOMEY: Thank you very much, Stephen. Dr Jim Twomey, Director of Pion Economics. In the interest of revenue can I just walk you through where the numbers come from, and we'll deal with the displacement issues and the additionally as we proceed, very quickly.

MR JAMES FROOMBERG: If you start walking through things we don't need to hear about, we'll tell you.

DR JIM TWOMEY: OK. The 1500 number, the starting point.

MR JAMES FROOMBERG: We don't need to hear about that one.

DR TWOMEY: That's fine. Displacement is, let me take you through that instead. You will see in our report that what we've tried to do is take a very, well a detailed approach to the analysis of displacement. What we've done in profiling the client base of the casino is to try and establish a whole series of client types. We operate with 21 different client types, they are differentiated in terms of origins, whether they be local, regional or non-regional. They are differentiated by type, whether we think the visitors are going to be attracted to venue primarily for the purpose gambling, whether they're going to be tourists that are already in the resort, whether they're going to be new tourists to the resort, so that's the second type, and we've tried to distinguish them by type of gambler, so we're talking about existing casino gamblers, we're talking about gamblers that are switching from other forms of gambling or gaming, and gamblers that might be new to the whole process of gaming or gambling that are attracted by the facilities on offer. Now, what we've done, as is explained fully in the report, is to profile what we think that client base structure will look like in terms of numbers. We've attached to each of those client groups an anticipated spend profile, and then what we've done is push that spend profile through the model that we're using to distinguish what is the degree of displacement. OK, so that's the process we've undertaken. It's a process we've developed over a period to assist this sort of exercise, it's quite complicated, and

the report fully distinguishes the way in which we've decided, we've assigned the issue of what and what isn't displaced.

MR JAMES FROOMBERG: I think what you're saying is by and large, you thought very carefully about how much of this is new money coming into Blackpool, rather than shifting the existing money round, and taking the jobs from existing businesses and you've come to, in your professional experience a balanced view that says of the 1500 that arrive in the new operation, 1150 are new and 350 are displaced?

DR JIM TWOMEY: Yes, based on the numbers that we've put in the report, and going through the model structure, yes. I mean clearly if one were, for example, to assume that those clients groups that were being displaced, then there would be higher displacement.

MR JAMES FROOMBERG: Right, thank you very much, can you now tell me about the 1050, or is it the 1046 or something, new visitors.

DR JIM TWOMEY: Ok will do. In addition to the work we've just described, the initial direct jobs, the client profile, the additionality, we took advice from, to some extent from operators, because what we've built on top of the exercise, we've talked about so far, is a series of assumptions. We've assumed that there will be some visits to the casino that will actually be just visits and not gambling visits, so there's a sort of circulation number, which we've set about 20% of the existing base might just be visitors who circle, maybe spend a few pounds on a restaurant meal, or whatever. We've assumed that some of the visitors to the casino will spend some additional resource outside of the casino, and finally of course, you're quite right, we've assumed that there would be, somewhere in the region of approximately 1 to 1.5 million new visitors to the resort who would not have previously come here. To some extent that's based, it's a conservative estimate, but based on the Ipsos figures, I think we referenced this morning, which said that something like 8 to 9 million people might be attracted to the resort if the casino went ahead.

MR JAMES FROOMBERG: So let me make sure I understand this. Your estimate therefore does not, in effect include the jobs you think that will be generated by the increased conference business, as a result of the conference centre being built?

DR JIM TWOMEY: There is to some extent allowance made for the conference activity as well.

MR JAMES FROOMBERG: Are you able to differentiate for me the 2500, how much of that is driven by the conference centre, which if you like, is your regeneration benefit add-on, and how much is driven by the casino.

DR JIM TWOMEY: I can't now, but I certainly can within a short space of hours.

MR JAMES FROOMBERG: But it is somewhere in the 2500?

PROF STEPHEN CROW: Mr Mundy?

MR NEIL MUNDY: But I also, at the same time, raise the issue of the hotel, because clearly there is a very substantial headline investment within the proposals, which I'm going to explore later in more detail, but how much does the hotel feature in the numbers that you've provided?

DR JIM TWOMEY: OK, well in terms of the numbers that we've provided I can tell you, I think, that, and it's an interesting point that the, well the job numbers are based on an aggregate profile of casino, of casino floor space per gaming establishment in the US, so they are a combined figure based on both hotel activities and gambling gaming activities.

MR NEIL MUNDY: So you've extrapolated more from the visitor numbers and gate spending than to any ...

DR JIM TWOMEY: No, we've used figures, I have some details here, available from both Nevada and both from another jurisdiction in the States which shows us, which tell us, that an average, for any square meterage of casino floor space in use, there will be an additional x number of jobs, elsewhere in the facility.

MR NEIL MUNDY: Without cutting across my colleague, I would very much like to see more details, I don't know whether you would agree with that, if that can be supplied to us, and to others.

DR JIM TWOMEY: I actually have them here in front of me.

MR NEIL MUNDY: Because I find this a bit Delphic, frankly in terms of how to get back to this fiercely precise figure of 1050, or whatever it is.

DR JIM TWOMEY: Well, you must bear in mind, of course, that all these things are computer and they have a spurious level of accuracy.

MR NEIL MUNDY: Well, we're trying to quest for truth in this process, so the more help you could give us on that course, would be greatly appreciated. Thank you very much.

MR JAMES FROOMBERG: Dr Twomey, we've obviously seen a lot of job estimates, a lot of economic impact studies around the country, and we have to give a fair old grilling on all of them, but the basic premise that seems to emerge for us is that you plonk down a couple of hundred million pounds worth of regional casino, that has a fairly standard amount of employees direct, the extent to which there is induced a multiplier jobs, is driven totally by the shape of the economy and it's ability to hold on to them, and the extent to which there are jobs that are displaced is also driven by the shape of the economy and the extent to which there's new business coming in. You've ended up with quite a lot larger job estimates in what we've seen in many other places, even though Blackpool's economy is smaller, which I find inconsistent. I don't know whether that means that you're over egging it, or other people are under egging it. Can you help me out here as to whether there's something funny about Blackpool's economy that means it is likely to benefit proportionately more from the casino, than putting it in another bigger city.

DR JIM TWOMEY: I think we've already discussed, I think the major driver of the Blackpool scene is the additionality, through the new visitor numbers. Because if you look at the implicit multipliers in our approach, they're fairly standard, we have a retention figure of about 18, 18-20%, so it's not the proportion of the resource that's being retained, it's the actual proportion relative to the new volume of money entering the local economy that is driving the figures. Our multipliers, just to give you some information, are about 1.18, which is well below the Egroup Guidance for Expenditure Profiles, which suggests a value of 1-1.24 for small areas and 1.2 plus, to 1.54 for regional economies. So I think the main driver, what's happening here is the additionality. And of course, that comes back to the some of the accounts that the businesses have made earlier on, in the last few minutes, what they see is the benefit to them, I think, of the additionality, the new people, the people who wouldn't have otherwise have come. That's what driving the whole structure. That's why the figures are higher maybe here, than elsewhere. I am not aware of whether other applicants have made some assumptions about additional numbers I'm afraid, so I bow to your experience. But I suspect that is a really key driver, because this is brand new money to the area. It's not being displaced from existing visitors, it's not being displaced from people who would have come anyway, it's brand new to the area, and all the evidence we have, all the jurisdictions across the world tell us that it's additional money, the additionality that is the key driver to the local employment base.

MR DEEP SAGAR: Mr Chairman, is it alright if I continue? On the question of visitor numbers and demand, I was encouraged to hear from Mr Weaver this morning about the Populus survey, which did quantify to a certain extent, you might have given us this material already. Would you mind talking a bit more about that, and in any case, giving us that survey once again. That would be very useful, because you did talk of big numbers in terms of visitor attraction. Thank you.

MR STEVE WEAVER: Thank you it was a, Populus the polling company who do a lot of work for the Times, sort of group of newspapers. We commissioned them for two purposes, to find out nationally where does the British public want to see this casino, in terms of the then eight short listed areas, and also a question as to if this product was in Blackpool, would people who haven't been at all, or not been for the last two years, were they more likely to come, and I think it's 9.25 million adults, said that they would be more likely to come to Blackpool, who hadn't been for the last two years, or hadn't been at all, and some 4.4 million people who had been to Blackpool in the last two years said they would be more likely to come more frequently, if Blackpool had this kind of product.

MR JAMES FROOMBERG: Would you be prepared, as with other documents we've heard flying around the place to provide this to us as the Panel, and obviously to your opponents?

MR STEVE WEAVER: Absolutely, no problem with that.

MR JAMES FROOMBERG: Lovely, clearly we'd like to have a look at the robustness of the market research and take account of it, where appropriate.

MR STEVE WEAVER: I would say, I mean this is a poll, a snapshot poll and, we aren't placed, our strategy was not placed on this. Fundamentally our strategy in identifying this being the right product, and additional people therefore coming to Blackpool, and critically I think, we have to think where will Blackpool be in four or five years time without this, and the visitor numbers would

have declined significantly further downwards. Our base in leisure industry, based on providing something which brings people, i.e. it's a supply led industry. And having spent 6 years learning from the best of around the world as to where resort attractions work and don't work and what brings people in, that is fundamental to how we've built our strategy as well as what people have told us about Blackpool. This was a poll which was commissioned to see where the Great British public wanted to see the location chosen, and overwhelmingly they want it to be in Blackpool, as opposed to anywhere else.

MR JAMES FROOMBERG: Could I ask, if that wasn't the source of your evidence for your visitor number of projections, which you told us earlier today, and it's in your proposal that you're estimating two and half to three and half million new gambling visits per year, which when you add on this sort of bits of attraction, your suggesting 4.2 to 5.5 million total visitors per year to, as a result of a regional casino. We'd be very keen to understand the evidence behind that projection.

DR JIM TWOMEY: OK, let me start that. I mean the baseline figure, we approached our client, which was Blackpool Council and Re Blackpool to use their good officers to consult with the industry about the size and the scale of an activity that they felt would be sustainable and of commercial benefit to them. Mr Haslem, behind me, will be able to reinforce those details. The figure we got, the figures we're using are based on that consultation with the operators who have indicated some degree of interest in the operation of the site. So we have a, for example we have a 2.5 million base figure, we have, if we got back a few moments ago, as I expressed, we have a 0.2, 20% uplift for circulation, minus spend. We have an additional 1 – 1.5 million for the new visitors to Blackpool, and we're heading in the lower end of the range, as we've just discussed. The higher figure is based on the 3.5 million starting point.

MR JAMES FROOMBERG: I think what that says to me is, what you're saying is, for a regional casino, a sort of £200'ish million casino to work, you work backwards and it says, it needs two and half to three and half million people to make it work. What I'm looking to understand is whether, if a regional casino comes to Blackpool it will get two and half to three and a half million, or to take a view on whether it might get more, or it might get less, compared to other cities, obviously, because we have to make a comparison. Have you done any research, or has anyone in the team done any research to suggest, or to give us something robust, on the potential for the visitor numbers.

DR JIM TWOMEY: Well, I mean we were involved in an exercised, we may well discuss in a few moments time, on before of the North West Development Agency, Regional Assembly and government office, some time ago, which was an assessment of market demand for casino activity across the North West, the intention of that study was to assess feasibility in terms of how many of these venues might be supported in the long term. I can talk you through about how those numbers came about, at some point, now or later?

MR JAMES FROOMBERG: We're just looking for anything that you can help us with that suggests that we can go away from here, saying yes if this comes to Blackpool two and a half to three and half million gambling visits or 4.2 to 5.5 million total visits, will come. And you've got to recognise that at the moment, what's going on is all the locations were looking at are all knocking each other, and that will be what your critics and cynics are saying, can Blackpool actually pull in these gambling visit numbers, and we have to come to a view on it.

MR STEVE WEAVER: Could I just make a quick comment and then bring Mr Haslem in. First of all, we wouldn't know any of the other competing areas.

MR JAMES FROOMBERG: You're on your own on that, I think, at the moment, because everyone else is knocking everyone.

MR STEVE WEAVER: I think everyone, I would expect to make the very best for their case, as I believe we are trying to do now. The one thing I think we would all share, and I guess it's an anecdotal comment from Professor Peter Collins when I bumped into him here this morning. I think his view was, if there's only one licence you could put that facility in Barrow in Furness and it would be a commercial success.

MR JAMES FROOMBERG: We did think of putting all 17 in the Outer Hebrides, a good place to test the social impact.

MR STEVE WEAVER: I think the serious point behind that is, with a very limited supply, whether this was 1 or 8, all the information, all the discussions we've had with the operators and the people in the business, both nationally and internationally are saying that this will work in any sensible location within the UK. And Mr Haslem will come to that in more detail in terms of the discussions he's had and the confidence they give us. Have we carried out a national in-depth market led survey to see whether people would come to Blackpool in terms of this precise product? Well, no we have not.

MR JAMES FROOMBERG: Let me try it this way, then.

MR STEVE WEAVER: Sorry, but no other place has either.

MR JAMES FROOMBERG: That's why I want to try it this way, if regeneration benefits are linked to visitors arriving and spending their money, and so on, and we've got to choose an opportunity where regeneration benefit is greatest, there must be a correlation with where visit numbers are greatest. So what would you like us to take away that says, if it comes to Blackpool it will get more visitors than if we were to recommend that it went anywhere else.

MR HASLEM: If I can help with an answer to that question, Blackpool is pursuing the regional casino. I've looked at a lot of research; I've looked particularly at the work of Bill Edington from the Reno University, who's an economist, who has researched the economic benefits, the costs and the benefits of destination casino, versus urban casinos, versus local casinos. And there's a very simple message that comes out of that very authoritative and much respected research. If only local people play in your casino there's no regeneration benefit. Destination casinos, by far provide the highest benefits and the lowest costs. So a general answer to your question, sir, is Blackpool is pursuing, and I believe uniquely in this competition, the concept of destination gaming, and in that concept is pursuing a concept that will deliver the highest benefits, and the least costs. In terms of numbers, for the whole complex, I'm slightly concerned that we keep talking about casinos, and here we are committed to an entertainment complex that has a casino in it, that brings a new form, complex form of entertainment. And it's an entertainment, adult entertainment, it's a family entertainment area that we're seeking to bring to the Golden Mile, a whole new product. We, on the convention side, we appointing experts in the fields of conferences, the Right Solution, to look at the markets. And we took a very objective view, we took a three stage report, the brief was if the conference market won't work, tell us. So in terms of conferencing we look at the competition.

MR JAMES FROOMBERG: Is that Mr Eric Ryman of The Right Solution?

MR HASLEM: It was Sally Greenhill.

MR JAMES FROOMBERG: Sally Greenhill, thank you.

MR HASLEM: And I think, my Ryman as well. Sally Greenhill was the principal authority of the document. To look at the market, to look at changes in the market, and the market is changing rapidly in post-industrial Britain, to look at the competition and how that would change in the future, the place Blackpool in a North West context, because of changes in the conferencing and convention supply in the North West and to determine whether there would be a market, and as part of that, they talked to our major customers and the major organisers of conferences in the UK, produced a brief for a conference centre that would work within a casino conference quarter, and it's that brief that we've pushed through and the development proposals. In terms of the actual casino, we appointed Pion to look at visitor numbers and turnover, and economic benefits after we know it was won. Because we wanted a very clear view of what the commercial context was for the single casino in the UK, and again to look forward to a landscape that might be more heavily populated with regional casinos. We built the visitor numbers up in a number of ways, and we built them from the bottom up. We looked at how many it would attract if it was successful and midday's, we looked at the impact of the seasonality profile of Blackpool, would that deliver higher numbers than an urban casino in the summer, and could we possibly maintain numbers off-season that an urban casino would, made assumptions about that, and built up from the bottom. We similarly talked to operators.

MR JAMES FROOMBERG: In your seasonality work, how many daily visits are you assuming you're getting then, on sort of peak season, peak day?

MR HASLEM: I can quote figures, I can supply you with the figures. The figures range, the figures in season they are higher, because the resort would be higher. I think the figures we've

used are 10,000, I think they're down to 8,000 off season, and they are as high as 16,000 at weekends, each day of the weekend. We've assumed that, in that profile, that Fridays, Saturdays and Sundays would be busy, so it's four days and three. And we've kind of built up from the bottom. We've then used that information in discussions with operators. Now Blackpool comes to this table presenting Blackpool's conference casino quarter concept. It doesn't come presenting a particularly developers proposal. So we've never been connected with a developer, and as such haven't had access to the information that perhaps some of the competitors have had. But what we did do, we went to the market, we obtained 22 registrations of interest, we connected with potential operators from South Africa, Asia, the UK, America, the major players in the field, and we've maintained a dialogue with these major players right through until now. Well, we maintained a dialogue with one of the registrations, Leaguenotion, very interested in the scheme, put forward a detailed proposal, and that ended a few weeks ago. And through that dialogue with the company's registering in regional casino development, we tested our assumptions, we asked their views, we sort to develop with them, critical friend relationship, and that's what we bring in terms of information.

MR JAMES FROOMBERG: That probably links most easily with the area Mr Mundy wanted to cover about investment, was the other sort of critical component.

PROF STEPHEN CROW: Mr Mundy

MR NEIL MUNDY: Thank you, Chair. I've got a number of areas which I'd like, if I may to enquire with Mr Weaver and Mr Haslem, it's good that you're both sitting there. There's an enormously ambitious 15 year plan which has a price tag of about 2.5 billion, and the clearly that would transform Blackpool, and that is a goal worth aiming for. But what I'd quite like to do is sort of unpack this a little, so that we understand, given that you haven't engaged with developers, but you're experienced people and Re Blackpool, if it's going to be, if it's a good urban regeneration company, it will understand the business, and I'm sure Mr Haslem does. What I'd quite like to do is know a little bit more about the components, in the early stages of investment, let's say the first 5 years, and that's both public and private, because you talk about 2.1 billion in private investment, which is an enormous sum of money, I can well appreciate that. And we're talking about 400 million in public investments. So, could you start by describing what's going to happen in the first 5 years in terms of, you know, the sort of investment that's going to go into the sites?

MR HASLEM: Yes, I'd be happy to do so, sir. There is a three year investment plan. It has been approved by the Development Agency, it's a rolling plan, so it's always three years old, and it's reviewed and indeed will be reviewed in a month's time. That identifies the priorities that the URC board has determined for the first three years, and to all intents and purposes it fixes our activities for the 2 or 3 years that follow. Our priorities are condition, in one sense by nature, and by the streams of investment already committed. We have a failing seawall, we have an opportunity to rebuild the seafront, that has won the largest grant from Defra awarded in the UK, £62 million grant, that project is under way.

MR JAMES FROOMBERG: And that's over 3 years?

MR HASLEM: That's a 3 to 4 year project. Building seawalls over 3 or 4 winters means that it could be 3, it could run into 4.

MR JAMES FROOMBERG: I quite understand, thank you. That's £62 million, and that's part of the public realm investment.

MR HASLEM: That project benefits from £11 million of European money, additional to the 62. £11 million of European money and Re Blackpool money, if I can call the development agency's contribution Re Blackpool money.

MR JAMES FROOMBERG: Right, and that is?

MR HASLEM: That ensures the scheme that's built isn't simply a seawall defence, that's the extra money that allows us to develop these large headlines, and create an entirely new sea front, and clearly the Panel is aware that we've submitted and been short listed for Living Landmarks grant, under the label, The People's Playground, and that additional money would take the total investment to £103 million, and that would apply a very thick layer of marzipan and icing to that seafront and create, I believe, the first carefully planned, properly planned urban seafront, and it's very much a playground for people, for adults and families.

MR JAMES FROOMBERG: Excellent, so that starts to lift the offer

MR HASLEM: That starts to life the whole seafront, and it's a major plank of a very complex regeneration proposal that designed, one to win new markets, through casino development; two, to maintain and grow important family markets, the People's Playground Project.

MR JAMES FROOMBERG: Can we move on?

MR HASLEM: The conference casino quarter is clearly a major priority. We must, and have done, put Blackpool in a position where if it is the best social test, if it is the best regeneration case, we can put our hands on our hearts and say, we will also deliver. And clearly, we've been investing in acquisition, in planning and in actually upgrading the corridor, the main motorway corridor into that site. So investment through that corridor, the first phase is opened this year, is a £14 million phase, subsequent phases will continue over the next two or three years, and we are very conscious that if we do win, we can't be upgrading the corridor to this thing when it's open, so that's early advance investment.

MR JAMES FROOMBERG: You touched on land, you own some of the site, but not all of it.

MR HASLEM: We own, I think 58% of the conference casino quarter. We have agreed a co-promotion with Leisure Parks which takes that ownership now up to 66% of the site, we have recently gone through a detailed planning application process which has ensured that all the issues associated with a major development are considered very carefully. So our application has been supported by environment impact assessments, transport impact assessment, sustainability, appraisals, retail impact assessments.

MR JAMES FROOMBERG: What about the timescale, if I may, given that time's short, on acquiring the site. I mean, will you have to go to compulsory purchase, or will you buy by agreement.

MR HASLEM: I was coming to that. The site can be phased, and we can deliver, the major access into the site, the car parking and hotel associated casino on land already within our ownership. We can, through the co-promotion deliver, if you like, the casino plus, the start of the winter Promenade, the addition of new leisure attractions around that. To add on to that development, the conference centre, we have to re-locate the Police Station, we have identified a site for the re-location, we have a design for the re-location, we have costs for the re-location, we have been working with Lancashire Police on that for 18 months. We are, that development will require a CPO just to ensure unencumbered ownership.

MR JAMES FROOMBERG: But it will be resisted?

MR HASLEM: The planning application that's submitted now is to actually ensure that we can hit the deck running, with the CPO because it is actually an application for means of access and layout, a basis for that CPO.

MR JAMES FROOMBERG: So the start on the CCQ, should you be awarded the licence, would be projected to what date?

MR HASLEM: Well, the programme is not ours, the programme is the government's programme. We are aware that ...

MR JAMES FROOMBERG: But I mean, if all things work well, I'm just thinking about in development terms, wherever you have land acquisition it can stop you in your tracks if you're not careful, and things like that.

MR HASLEM: The stages that all competitors will have to go through, procurement, then the determination of the scheme, then mobilisation, then start on site, all of that, that's the only thing stopping us starting tomorrow. We could build ...

MR JAMES FROOMBERG: So that lead time would be, assuming, what are you talking about the lead time on?

MR HASLEM: This is my point, I believe that government will consult on the procurement process. I'm advised that may take through to April, so while the decision may be in January, we couldn't actually launch the procurement process until April, and the procurement process will be subject to OD regulation, that's 6 to 9 month process, so all competitors, I believe would consume most of 2007 in choosing their particular partner.

MR JAMES FROOMBERG: And your land assembly issues could be sorted out by early 2008?

MR HASLEM: Well, our land assemblies are sorted out now, the site's available now.

MR JAMES FROOMBERG: That's really helpful. Can we move quickly on then to look at the sort of quantum of investment, and we've seen various figures mentioned, and we know we've

got a fairly good idea of what a typical investment would be. What, in your opinion, would be the investment on the CCQ itself?

MR HASLEM: Well, we're talking about casino hotels, winter promenade and a single casino and a convention centre. In our discussions with operators there is a wide variety in their ambition, and that is peculiar, I believe, to Blackpool because we are looking at a destination concept, and we are looking at some operators who will invest much more heavily than others in creating a very strong, wide entertainment complex, others who confine their interests to a much smaller development. In our bid, I think we presented you with a range. That range in the bid represents the range of figures mentioned in discussions under the registrations by the different interested parties.

MR JAMES FROOMBERG: That's the 200 to 400?

MR NEIL MUNDY: What, in your judgement, would be the figures that you would anticipate?

MR HASLEM: Well I think we said that we would hope, and through a highly competitive process that we would, that would be towards the larger than the lower figure, but if you ask me to plump for a figure, I would hope to see an investment on that site of around £300 million.

MR JAMES FROOMBERG: £300 million. So given that you've said that the Development Agency, or yourself could not fund the conference centre, so what sort of element would that be?

MR HASLEM: Well, again, there are operators who pursue a very successful international model. That international model is hotel, conference centre and casino, and wider casino based entertainment. What Blackpool is asking for is that particular type of developer to build a bigger conference centre. So it's how much would Blackpool have to add to the scheme, and to have the bigger conference centre. And we see that as the regeneration payment. But there's a major factor associated with that regeneration payment. As Blackpool Council is the major landowner, and Blackpool Council's stated position is that it would wish to transfer its land ownership into that catalytic development.

MR NEIL MUNDY: The Right Solutions work that you undertook, you mentioned a little earlier in answer to one of my colleague's questions, what sort of scale of conference facility was Right Solution ...

MR HASLEM: Clearly, it was a scale of conference centre that would accommodate national and political conferences.

MR NEIL MUNDY: So you'd recapture the high ground, or you'd be capable of doing?

MR HASLEM: The market for Blackpool would be the organisation market, the larger organisations, the political conferences which bring many other conference with them, and 3,000 delegates. And the cost, our costings for the development of that are ranging, and again, we won't know how much it costs, until we have an integrated development proposal, but something in the region of £60 to £80 million.

MR NEIL MUNDY: 60 to 80? Right, so that would buy you in present money a fairly modest conference, but not a large ambitious one.

MR HASLEM: No, the 80 million would be the 3,000 delegate main hall. The planning application that's been submitted, we have obviously worked on subsequent amendments to that scheme and looked at how we can create a single hall that's more flexible, a single hall that can be exhibition as well as main hall, to try and create the most efficient building we can, and the figure, the figures that are currently coming up are about £78 million.

PROF STEPHEN CROW: So presumably you're relying on a lot of existing facilities in Blackpool as the breakout and banqueting and so on.

MR HASLEM: As to breakout and banqueting, my comment earlier was, is the kitchens for the casino can be the same kitchens for the major hotel, can be the same central kitchens for the conference centre, and there are enormous efficiency in this three legged stool of hotel, casino and conference centre.

MR NEIL MUNDY: That's good. Could I explore something related to, but slightly different? And this is your approach towards engaging with developers, because you've already got projects on track at present. I mean, what sort of approach would you take to extract the best value out of these activities?

MR HASLEM: Well best value, what does that mean?

MR NEIL MUNDY: Well in terms of the best bank for bucks for Blackpool.

MR HASLEM: Well the best bank for bucks is in fact, clearly, it has to be a development that is striking. A development that, in my words, is other worldly. You wouldn't expect to see it in the centre of Manchester or one of the urban cities, so the architecture and the style would be extremely important. In the registration documents that we issue, copies have been supplied to the Panel, we indicated that the competition would be one that would require registrations, then a short listing process, and then the short listing competitors an opportunity to submit designs. We would work with them over that period, and of course costs. We are very conscious that the regeneration payment is always residual and in every situation there has to be a very clear idea about the nature of the development, and the costs of that development, the revenue from that development, then the regeneration payment can be calculated. We would run an incentivised competition under OQ, a competition that would place the competitors in a position who, and these are competitors who would wish to win the first UK licence, and we believe we would want to demonstrate to the UK market that it was successful and it was very special kind of development. We would seek to maximise that potential and through the competition, put down rules and regulations requiring from the competitors specific components in relation to the mixed development, social responsibility policies

MR NEIL MUNDY: Could I stop you on that point, because that was the next question on the social aspects. Would you see some sort of ongoing revenue contribution, perhaps, linked to the gearing of revenue from the casino, that would feed back into the community?

MR HASLEM: In an ideal world, we would wish to have a new conference centre and ensure that we're competitive in that market, and we would wish clearly to see some kind of revenue payment and that would be easy to achieve through ground rent, as the owner, but clearly there's a negotiation to be done, and we would see what the end result produced. But there are, that revenue payment can be achieved indirectly through the scheme. Blackpool was the only resort registered for BID status, we have, we're in the first round of bids for our town centre, the casino would clearly make a major contribution, through 1 or 2%, the revenue contribution to the bid, and which with a management proposal and social responsibility objectives, there are also, clearly if the Chancellor of the Exchequer continues with his current policy of awarding commercial rates from new developments, we would qualify that, there would be a substantial hike in commercial rate, and a substantial annual payment there. We would wish to balance a whole range of potential revenue and capital payments and we would pick the best pot pourri, the one that represents in our town, best value for money and best benefit to the wider Blackpool community.

MR NEIL MUNDY: That's very helpful, thank you very much indeed for your helpful answers.

PROF STEPHEN CROW: Whilst we're on Chancellor's whims, what assumption have you made on the level of gaming tax that the Chancellor will impose in order that you will assume that you can secure £60 to £80 million of regeneration benefit for the conference centre?

MR HASLEM: In fact appointed Ernst Young to produce a report on tax, not just on gaming tax, but on the whole tax element of a major development, there's major wins to be made if tax is carefully controlled. There's a series of assumptions in there, but there's a central assumption which I think has come into many schemes, which I think is 20%.

MR JAMES FROOMBERG: 20% of gross gaming revenue. Thank you. And if the Chancellor at whom decided that, if you like, suck out more of the super profits with a gaming tax, and thus whoever was awarded this licence would not benefit from the £60 - £80 million that you're hoping for, what would the Council's position then be in terms of willingness to licence?

MR HASLEM: Well, we wait for that announcement like the other contenders.

MR JAMES FROOMBERG: We need to give a message back, at some point, it says, willingness to licence is or isn't dependent.

MR STEVE WEAVER: Our predicator on willingness to licence is not based on the size and nature of the conferencing facility, it's the wider impact, entertainment resort complex would have on Blackpool.

PROF STEPHEN CROW: Thank you, I think before we go on further, I'd just like to hear from other people. Mr Biesterfield, you've been following this closely, I've noticed. Is there anything you want to make comment on or feel that the answers they have given are in some way wrong?

MR DAVID BIESTERFIELD: Professor, where do we start? We've been going since ten to ten, and obviously my friend's on the other side of the room have had all but about five minutes of that.

We've got, as you know, detailed empirical evidence on this, and I just don't think we're going to have the time, unless you're going to sit very, very late indeed.

PROF STEPHEN CROW: Well, are you satisfied we've asked the right questions?

MR DAVID BIESTERFIELD: I think that unfortunately, our accusation about the bid, as you know, is that it is extraordinary superficial, and although I do think that the questions are correct, I don't think they've got near the truth of what it's all about. Mr Dodgeson is here, I suggest I let him

PROF STEPHEN CROW: Mr?

MR DAVID BIESTERFIELD: Mr Dodgeson from NERA Consulting I know wants to say something about the job levels, but there's a whole list of other things, which given a fuller process we would like to have explored.

PROF STEPHEN CROW: Yes, well I'm afraid that ...

MR DAVID BIESTERFIELD: I appreciate the difficulties you're in, but we are too.

PROF STEPHEN CROW: Mr Dodgeson, on the job numbers?

MR DODGESON: Thank you sir. We had looked in details at the various Pion reports on the job numbers, so we had been concerned to look at the regeneration effects and we initially did that by looking at a number of Pion reports, including the one from North West Development Agency, and earlier reports, but we had not, until quite recently had the Pion report. By the document we supplied to you recently, our updated report was delayed. In that report, we do set out in detail our views on the Pion numbers and on their methodology. We had looked at their methodology and found it complex and a little difficult to understand the arguments. Although we understand the basic methodology, but it's not possible to work through the numbers and assess how the final number of 2500 to 3400 jobs are actually derived. So we have a number of comments on that. But what we decided to do instead, was to make our own estimates of the employment, as a result of their being a regional casino, in Blackpool. And we came up with a range of numbers, which I would need to qualify too, but that range is not 2500 to 3400, but 750 to 950. In other words, much lower.

MR JAMES FROMBERG: Is that including or excluding the effect of the conference centre, is that just the casino?

MR DODGESON: It's just the casino, but what, in particular we were concerned about, which was the point you picked up yourself Mr Froomberg, was the additional 1050 jobs from the extra visitors. We didn't really see any detailed justification of the number of a million, or maybe it was a million and half extra visitors, who wouldn't visit the casino, but would come to Blackpool purely because there was a casino in Blackpool. So that is the main difference between our numbers. I know that you didn't want to have discussion of the actual direct employment numbers. We provided a range, and you can see the calculations in an appendix to the report. We came up with a range of 1200 to 1500, direct jobs from the casino. And then, the major reason why our numbers differ is that we believe that there will be substantially more leakage from Blackpool itself, as a result of the casino. We based our numbers on English partnership recommendations of values of different multipliers. We actually used a slightly higher multiplier, that Dr Twomey has said that Pion used. They used 1.18 for the indirect effects, we used 1.38. But our leakage is much greater, and you can see how we did that, from our report. But I'd like to two points about the leakages. First of all, an early Lancashire economic partnership development programme report, noted that labour requirements for the casinos are unlikely to be met from Blackpool alone, and that's been said earlier, I think, this morning, in regard to their being a target of 60% of employment being from Blackpool. One of the earlier Pion reports, which was a report in 2003, which looked at the impact of the casino, or a casino complex in Blackpool, looked in detail at the implications for different local authorities, not just Blackpool but Wyre and Fylde and West Lancashire, and Chorley and Preston and Lancaster as well, I think, and that estimated that about 37% of the employment impacts of the casino would be in Blackpool itself. So I think there's a strong argument there's quite substantial, there's likely to be quite substantial leakage from the town itself. And that, and the additional 1 million visitors are the two reasons why our numbers differ so much.

MR JAMES FROMBERG: Let me just understand, you're net bottom line equivalent to the Council's proposition of 2500, that is the 750 to 950, is it?

MR DODGESON: Yes

PROF STEPHEN CROW: There are some things that are better actually studied in peace and quiet.

MR DODGESON: Yes, I certainly hope so. But there's one additional point that I can make in relation to the argument that I'm going through, is that we think there may be substantially more displacement than are in our initial numbers, because this is case, which I suspect is very different from the other places you're looking at, where there is direct employment, very close to the casino site, that will be directly effected by a competing operation. That is to say, if you build a casino in East Manchester or the Dome there aren't other gaming and leisure activities that are in very close proximity. That is also set out in the report, so I'm pleased to have this opportunity, although it's a little bit breathless, to explain to you our approach to looking at the regeneration effects, much lower numbers, a methodology which is not necessarily very complicated, but is based on English partnership recommendations and which is set out, I hope you'll find very clearly in our report, and in our appendixes and of which, of course, we'll be happy to provide further information such you require it. Thanks very much.

PROF STEPHEN CROW: Thank you. Well I think we do really want to move on, we're really going into over time. Do you want to respond?

MR STEVE WEAVER: Equally breathless in my attempts to help you, sir.

PROF STEPHEN CROW: You don't have to be breathless, just give us the right answers and your opinion.

DR JIM TWOMEY: I'll try to respond very quickly. I actually think the NERA report is not significantly, it doesn't significantly disagree with us in many ways, because if you look at, we've had the report now for an hour, so some qualified judgement. If you look at the report, as my friend over there has suggested, they have a range of estimates, but ultimately, for example, our starting point, 1500 jobs is within the range, although the upper end of the NERA starting point, so we're broadly consistent thereabouts, depending on something of spectrum. It refers to the issue of displacement which, as I know has just been mentioned again. Of course, our basis of displacement is based on this mechanism we talked about earlier, I won't go through it again, but I noticed that, at least it's a modelling process. I noticed that in table 4.3 of the NERA report, the estimates for displacement were provided to NERA by Leaguenotion, so in a sense they're not from any modelling process, they're a series of assumptions based on some interpretation of the situation so we can hardly go about those bases. And as the report points out, our high numbers are due to the additionality profiles we discussed earlier on. Yes, if you assume additionality you get more jobs. The LEP strategy study that we referred to, of course, is in a sense a little bit of a red herring, because that was based on the scenario of 4 to 5 regional casinos pre changes in the legislation, so profiles for Blackpool in that report are completely different for profiles in Blackpool within this report, because the whole game is in a sense changed. And I think, ultimately we vary on matters of little scale as opposed to fundamentals in this report.

PROF STEPHEN CROW: OK, thank you.

MR NEIL MUNDY: What is the bottom line figure?

MR STEVE WEAVER: The bottom line figure, from the NERA report seems to be 7 to 150 jobs. Our figure includes all the additionality points which I presume aren't in this point, so we're talking about 2500 base figure.

PROF STEPHEN CROW: Look gentlemen, I don't think we're going to get to the bottom of it in this venue here, and my own experience tells me that the best thing is to take the various documents away and study them carefully, and we can apply our expert judgment to them. So if that's agreeable to you?

MR STEVE WEAVER: I think Mr Haslem would like to reply?

MR HASLEM: I'm sorry can I reply to Dr Twomey, very, very quickly. Enormously quickly. Dr Twomey says we're saying similar things, I think 750 to 950 is a different range to 2500 to 3400.

MR JAMES FROOMBERG: Can you not use the Panel's time for a spat between the economic consultants.

PROF STEPHEN CROW: Let's just study it carefully. Did you want to make a point, Mr Asplin?

MR COLIN ASPLIN: I'd like to make two comments, if I may, sir. One is employment, we're talking about new jobs. If the numbers go up significantly, if we've still go 1500 hotels when everything's built then if all of them take one person on, that's a ...

PROF STEPHEN CROW: Well I hope you've seen what is meant by displacement, which means that some of the jobs are going to come from somewhere else.

MR COLIN ASPLIN: Yes, but invariably, the existing hotels do recruit from hotel, they don't recruit from Preston. And secondly is the numbers, the gentleman over there was mentioning getting numbers into Blackpool. Once everything is built, why can't we have The Boat Show, The Ideal Home Exhibition?

MR JAMES FROOMBERG: I believe they both have rather long contracts with existing venues.

MR COLIN ASPLIN: Yes, an arm wrestling track with London, yes, but why not?

PROF STEPHEN CROW: You're adding some flesh on to what would otherwise dry argument, but I hope you'll understand that in our more intellectual moments we are capable with dealing with the drier figures.

MR NEIL MUNDY: Could I just ask one final question of Mr Weaver please in connection with the investment side? Is the 2.5 billion sort of an aspirational figure, I mean I didn't go into too much detail with Mr Haslem on that, because it's clear it's looking a long way out, but it does seem a substantial figure?

MR STEVE WEAVER: Sorry, it's aspirational in the sense it's not committed, either the public or the private sector, fully committed, but it is a figure that has been subject, both in terms of us presenting the case for the urban regeneration company from the people that we used to do that, plus the people who had to check that at the Regional Development Agency, that it was in the realms of realism.

MR NEIL MUNDY: So you have a document which shows how that's built up.

MR STEVE WEAVER: The whole Master Plan was costed.

MR NEIL MUNDY: Right, thank you. Well, Chairman I would find it very helpful just to have a summary document, whether it's an executive summary or whatever, which sets that figure out, that would be enormously helpful.

PROF STEPHEN CROW: When you do that can you provide the other side with it, so they can comment on it.

MR STEVE WEAVER: We will provide that.

PROF STEPHEN CROW: Mr Edwards?

MR MICHAEL EDWARDS: Yes, I'm just wondering, as Mr Biesterfeld point out that we had about 7 minutes out of the last hour, and I understand that ...

PROF STEPHEN CROW: We can be patient Mr Edwards, just because we look impatient

MR MICHAEL EDWARDS: I was hoping that you'd say that you might extent the time a little bit for us.

PROF STEPHEN CROW: Well, a lot depends on whether you persuade the train operating companies to put on some extras tonight.

MR MICHAEL EDWARDS: Well, it is of terrible important to Blackpool, sir, with the greatest respect.

PROF STEPHEN CROW: I do appreciate the point. If, when you're on the way home, Mr Edwards, if you feel that there's anything we've missed, then I do want you to just write to the secretary please. I do appreciate that the time is very, very short. I mean I can well understand that, I mean if we've having it in public enquiry format, I mean we'd go on for two or three weeks.

MR MICHAEL EDWARDS: We would welcome that.

PROF STEPHEN CROW: But we are giving you the same time as everybody else.

MR MICHAEL EDWARDS: Well, I'm sir, but you haven't. There has been an imbalance in time, and I'm sorry if it offends.

PROF STEPHEN CROW: No, I don't mean you personally, we've given Blackpool the same time as everybody else, and I think possibly in some of the others, you'll also find that most of the time has been spent on trying to get some information out of the local authority. Can we just go on to a few quick questions? I mean, one of the things you had originally was the cluster of casinos, and yet when someone proposes a little casino, you refuse it on the grounds that it would open the flood gates to other casino bids. Now, I'm not going to go into that appeal, someone else will, but why don't you want a flood of small casinos?

MR STEVE WEAVER: Fundamentally, sir, it's because the casino under the 1968 Act, or even the small and large casinos under the 2005 Act have nothing like the same potential for

regenerative impact and raising the bar, immediately as a catalyst, as do the regional casinos. And our ambition still is, in this 15 years or more Master Plan, is that if the opportunity does come for Blackpool to apply for more licences under the second wave, then we, our intent is to have this differentiated cluster of regional based casinos in Blackpool. Just to give an idea of the difference in scale, we're talking of a 1968 Act casino having maybe 120, 1500 people through the door, in a year, based on the experience ...

PROF STEPHEN CROW: Do remember, we've had a look at the biggest 1968 casino in Britain.

MR STEVE WEAVER: Going on, the experience within Blackpool of the three existing casinos, within Blackpool. This would bring 3 to 4 million people a year, and pay for a significant all year round investment opportunity, either conference, convention facility, as well as a wide range of other entertainment complexes.

PROF STEPHEN CROW: Let me cut you short there, I would like to go over some of the transport question. Yes, Mr Biesterfeld?

MR DAVID BIESTERFIELD: Sorry, can I respond briefly to that. It is actually quite an important point. Also, a quick point, which really picks up I think, on Mr Froemberg's point about the level of attendances, the level of revenue driving the regeneration. Critically important this, and to put a marker down for it, in Pion's study for 2005, for the NWDA, paragraph 3.3.1, they make it quite plain that in their view a regional casino in a urban city location will stand to do very much better. They say, general market location preferences for regional casinos are for high profile, physically accessible areas, with maximum population exposure, and synergy with wider entertainment offer, if possible. In this context, regional city locations are a primary attraction, though coastal areas can compete if there is critical mass through development of cluster type momentum. Same old point, the law is one, it ain't a cluster, the Master Plan requires that. All the predictions the Council are telling you about assume the Master Plan.

PROF STEPHEN CROW: What we just wanted to understand though was why the Council did not want to go forward with the particular small casino bid, which I think was yours. Did that actually get in the way of your regional casino bid, was it physically on the same site?

MR STEVE WEAVER: No, no.

PROF STEPHEN CROW: So what was the reason for refusal?

MR DAVID BIESTERFIELD: Can I deal with this?

MR STEVE WEAVER: Well, perhaps the Council could give the reasons for refusal.

PROF STEPHEN CROW: It's just this one reason, I don't want to go into the planning appeal.

MR STEVE WEAVER: I guess its best summed as, it is ...

PROF STEPHEN CROW: Why don't you want a proliferation of small casinos, is that because they'd get in the way?

MR STEVE WEAVER: It's not because they would get in the way, it's because they would attract only locals, and not bring people in for a destination.

MR DAVID BIESTERFIELD: That is to wholly misunderstand the application we made. Indeed, it's misrepresented. The reason, I venture to suggest that the Council don't want it is of course, they don't want any competition that will detract from the revenue that the regional casino will bring in. At the same time, what they want to do is use a combination of their planning and licensing powers to built it right next door to my Coral Island business, which on their own figures in the bid, is going to rip out about 4 or 5 million pounds worth of my income. That is what lies behind it, I appreciate your terms of references, sir, but when we're talking about the impact of these competing applications, and why they're refused, it also raises the question of the smooth passage of the planning process, because plainly, having refused my application, clearly intending to grant the application on their own land, there is on any view, I hope you'll agree this plan, there's a significant risk that this will have to be called in by the Secretary of State, because there are clear conflicts which arise in all of this, and they ought to be determined ...

PROF STEPHEN CROW: We're going into ground I don't want to stray in to.

MR DAVID BIESTERFIELD: I appreciate that, but as you raised it with Mr Weaver, I wanted just to make this point.

PROF STEPHEN CROW: You'll have a very good planning inspector, I'm sure. Can we go into the, well the ones that I trained are now retiring. Can we go into the transport matters now, which we do feel very important? Mr Collison?

MR CHRIS COLLISON: Yes, thank you Chairman. Well, first of it all it would be helpful just to check with the Council what the latest position is regarding the Department of Transport's appraisal of the, what we understand is a £88 million modernisation of the tram system and its expansion.

MR HASLEM: The announcements earlier, just a few months ago, indicating that Manchester had been successful rather eclipsed the news that so had Blackpool, and Blackpool was awarded our first phase of investment to rebuild the central section of the tramway track, between basically the Pleasure Beach and North Pier, and that contract in fact will commence in November, at the end of the season, and it will take 2 years, and during that two year period we expect further allocations and a progressive upgrading of the entire track.

MR CHRIS COLLISON: How many phases would there be to do the entire job?

MR STEVE WEAVER: Sorry, just to clarify that situation. The regional bodies sent to the Department for Transport a billion pound programme over the next ten years, allocating regional monies for transport. The Blackpool scheme was agreed by the regional partners, as part of that, and therefore the £88 million, it stands there allocated and ready to be given to Blackpool. The first critical element of that, to keep the trams running, which was what was necessary in this maintenance grant of £11.8 million approval, has been allocated for two years. That's to allow us to do essential track to ensure that the trams will run. The rest is subject, although the money is standing there ready to be allocated to us formally, waiting for a formal value for money process to be completed by the Department of Transport. We expect that to be completed towards the end of this year. In terms of our assessment of that value for money process, if it's solely based on that, which it should be because the money has been pre-allocated for us, there will be no doubt that we will get the full scheme towards the end of this year.

MR CHRIS COLLISON: And then secondly, there was mention earlier of the extension of the motorway into the area of search that you've got for the regional casino. Can you just give a little bit of detail about the certainty of that, the timing?

MR HASLEM: It's not in fact the extension of the motorway; it's the upgrading of the existing. It was a railway line that was formally a railway, it's elevated. The first phase has been extended to three lanes, there's a long term proposals when that's complete to have switching and lanes to meet peak flow, so we have two in, one out, and that proposal is a priority within the three year investment plan. The final, the work on the central section through Seaside's Way, towards the conference casino quarter, is a priority within our three year investment plan, and we have a series of phases, through that period, to complete the work.

MR CHRIS COLLISON: Thank you. We've already had quite a lot of information about the Airport and note carefully the intended growth of air traffic, if you like, and routes, and I think that's been adequately covered. Just one other point, has some work been done to estimate the model split of arrivals to the new facility that you have in mind?

MR HASLEM: The Transport Impact Assessment, a very weighty document that supports the planning application looks at potential model splits, recognises that the car, the private car will continue to dominate, as it does not, recognises that there is spare capacity within train, as a means of approach. We have trains that run regularly with three coaches and a station platform that could take 8 coaches, so there's real potential there to grow rail travel. There is clearly potential to grow airport travel. There is an aspiration to ensure that as this development does grow, we maximise the potential within the local transport network. Our policy is one of ensuring that internal journeys of public transport, and hence the importance of the tram and its connections between accommodation and the conference casino quarter, but recognising that that external journey will continue to be dominated by the private car.

MR CHRIS COLLISON: Yes, when you say it's dominated by the private car, can you just give an indication of the proportions?

MR HASLEM: Current proportions for the Pleasure Beach, which is probably as the single major attraction is useful, its 10% train, 80% private car, and I think its 6 or 7% coach. In the model split considerations relating to the conference casino quarter, there's an expectation that the coach trade would grow, the operators would grow the coach trade, as part of their business model.

MR CHRIS COLLISON: And airborne arrivals for the new facility?

MR HASLEM: Airborne arrivals clearly, in the model split; air actually appears as arrivals by taxi and tram. Because there will be taxi connection and tram connection, and indeed in that report also, an opportunity to use the upgraded corridor that you mentioned area, as a discreet bus root, so there's choice in public mode, tram, taxi and bus.

MR STEVE WEAVER: Perhaps just one opportunity for me just to add a little anecdote, or story in relation to the Airport and travel. Michael Cawley who's the operating director for Ryanair was in Blackpool round about a month ago, talking about Ryanair's plans and proposals for the Airport. With the one casino licence, he was absolutely confident that he could fill three planes a day from Dublin, into Blackpool, because of the nature of the gambling jurisdiction in Ireland, and the nature of the offer in Blackpool. I'm not saying that was significant in terms of numbers of transport, but it was just interest.

PROF STEPHEN CROW: Mr Biesterfeld, do you want to say anything about transport?

MR DAVID BIESTERFIELD: No, thank you.

PROF STEPHEN CROW: Mr Edwards?

MR MICHAEL EDWARDS: Transport, no sir, except that as I understand it the cars will be diverted from the central corridor at Rigby Road on to, will not carry straight forward through to the parking, but will be diverted onto Rigby Road and Central Drive, which is a very congested roadway at the present time, I may be wrong about that, but that's what I've been told this morning.

MR HASLEM: You're absolutely wrong about that, you must have misunderstood the discussion.

PROF STEPHEN CROW: There's one very important question that we want to ask, that I think Mr Froemberg really isn't satisfied on from what you've said so far, and in what way will the casino development actually enable the proposed development of the conference and exhibition facility. I mean you've spoken to them as all going together, as though they're all one word.

MR JAMES FROOMBERG: Chairman, I'm happy with that part of the question.

PROF STEPHEN CROW: Are you really?

MR JAMES FROOMBERG: It was the second part, it was really directed at Mr Hemming, which is the Winter Gardens, which is currently as I understand it, or has been for some time, Blackpool's major convention facility, what is the future of the Winter Gardens, which is yours, isn't it, under the option of getting a casino, versus not getting a casino?

MR CRAIG HEMMINGS: Well as you will appreciate from my earlier comments, we do wholly support the Council's wish to get that.

MR JAMES FROOMBERG: I had worked that one out.

MR CRAIG HEMMINGS: The position with the Winter Gardens is that it has a subvention contract to operate as a conference centre until the end of 2009, anyway, and then that arrangement finishes.

MR JAMES FROOMBERG: So, you've then got to either scratch your head as to what to do with it?

MR CRAIG HEMMINGS: Or put it to alternative use. Hopefully part of the regeneration we're discussing.

PROF STEPHEN CROW: Thank you. Let's go on then to the regional aspects. We heard from both the Development Agency and the North West Assembly while we were in Manchester why they supported Blackpool over Manchester. I can't say it went down too well there. Do you want to add anything here, bearing in mind it could get back to Manchester? Mr Broomhead?

MR STEVE BROOMHEAD: Thank you, sir. I think the rationale is set out actually very clearly in the Regional Economic Strategy which has actually been approved by government. I think it's the only RDA, we're the only RDA, and there's the 8 in England, to have our strategy actually approved. I think it's important to say something about the context of that approval, because the Regional Economic Strategy is a document by the region, for the region. It is not a document authored by the Development Agency, on our own, and I just wanted to say something to you about the support that's given to the transformation action, which is one of 45 transformational actions which have been identified in this strategy by a number of partners. It's actually signed by a number of partners, the CBI, the IOD, the Regional LSC, the Association of Colleges, North West Chambers of Commerce, English Nature, Job Centre Plus, the Regional Skills Partnership, English Partnerships, North West Universities Association, Strategic Health Authority, the

Environment Agency, the TUC, North West Business Leaders Forum, Private Sectors Partners and Voluntary Sector North West. So whilst my board has made it very clear that they support this particular project, because we've invested their resources into establish Re Blackpool, there is enormous support for the transformational action to deliver the Blackpool Master Plan. The core of which, of course, is the delivery of this casino. If they'd have been more than one original casino to chose from, this Hobson's choice, as we see it, and you have the difficult task, we wouldn't have perhaps addressed it in this way, but we clearly support Blackpool as the priority for the regional casino. Obviously, we also support Manchester, because if there is to be more than one of these, because we recognise the wider economic and regenerative benefits, we would want to support Manchester as well. But to make it absolutely clear, the Development Agency, through its own work, from the Pion study, through the support of a wide set of partners through my own board, clearly supports Blackpool as a choice for this particular casino.

PROF STEPHEN CROW: Can I just ask you this? And that's, to what extent does your support depend upon work like the Pion Report, the numbers of jobs, the amount of investment likely to be attracted, the number of visitor numbers, all of which have been challenged today, and all of which, we've promised and we will, study further. Now if we were to decide, for example, that Mr Biesterfield's consultants were right, and you were wrong, were do you think we ought to stand?

MR STEVE BROOMHEAD: Well, first of all, we did take account of the Pion study but that wasn't the only decision for my board in coming to its conclusions about supporting Blackpool dealt upon. Clearly the views that had been expressed by the North West Regional Assembly, who also chose to support Blackpool, we've taken into account. We also have our own regional observatory, because obviously we've given our strategic economic leadership. We make sure we don't depend just on consultant reports, as some of the evidence based investment decisions that the agency reaches. So we've taken, I think, a very solid decision based on a number of pieces of evidence. And of course we also recognise the wider regenerative aspects of this particular investment. The earlier conversations about the nature of the economy in Blackpool, we know it is actually in a state, it's very fragile and it is declining quite significantly.

PROF STEPHEN CROW: And that's why you didn't challenge them this morning when they were talking about there being no Plan B, was it?

MR STEVE BROOMHEAD: That is correct, because frankly I have to say to you Chairman, we don't believe there is a Plan B. There is no evidence to the Development Agency of large scale investments which would have the economic benefits that have been described here, today, coming into this regional, either from within the UK or from outside. And it's just not a fact that those sorts of investments are around. So there is no Plan B, this is a very well rehearsed plan, to repeat it has support, from a large number of partners and from the Development Agency, and it will actually produce enormous regenerative benefits, socio-economic benefits, not just the economics benefits that you've had described to you by colleagues from over the other side.

PROF STEPHEN CROW: Thank you. To what extent is your support for Blackpool based on political considerations rather than on hard economics?

MR STEVE BROOMHEAD: Chairman, the Development Agency does not make decisions for investment through political steerage, or political consideration. We have an approved regional economic strategy by government, and that's, I repeat, as a result of the enormous amount of evidence and wide spread buy in from partners. The difference, I think, between Blackpool and Manchester is the benefit of Blackpool, the benefits to Blackpool if this scheme were to go ahead, are widespread. They are deep. There is no other case except for Blackpool. Compared to Manchester, where clearly there would be economic benefits, but they would be actually much more local to the East Manchester area. So it's not on politics at all, it's on solid information and evidence that we've reached our conclusion in the context of the race to support Blackpool.

PROF STEPHEN CROW: I mean its arguable it's arguable isn't it, that in Manchester the actually net addition to regional income could be greater there because it's in a bigger place.

MR STEVE BROOMHEAD: That may be true but the wider regenerative impact across Blackpool, across into places like Fleetwood, for instances, where there's also economic challenges, we believe to be greater than the ones that are in Manchester. We've already made a significant investment, and it is true, we've already seen significant economic growth in that part of recovery in East Manchester. But I repeat, if there is to be economic impact across the whole

of this region, and if we're to spread the development of wealth and develop the quality of life, our view is that it has to be Blackpool.

PROF STEPHEN CROW: Mr Gallagher, is there anything you wanted to add to that analysis? Political considerations, you are more of a political body, not you personally I know.

MR MICHAEL GALLAGHER: I think I'd like to add we've developed the policy approach as part of the original spatial strategy. That has taken account of the evidence base, but also taken account of the policy aspects. We're aware of the opportunities that exist for regeneration in Blackpool, also regeneration opportunities elsewhere. In coming to our view that whilst we support Blackpool, Liverpool and Manchester as suitable locations for regional casinos, given that we're only talking about one regional casino at the moment, Blackpool presents the best site in the North West, because Manchester actually has lots of other things goes for it, and opportunities. Whereas Blackpool, this is one of the key planks of the regeneration that is planned for the town. And without it, there are serious doubts about what could be achieved, so we need as a region to support that. When it came to the Assembly Meeting, the Assembly endorsed that policy line, both in approving RSS for submission in January, and again it was considered at a full Assembly meeting of the original planning body in April and it was endorsed by everybody there except the two Councillors from Manchester City Council. We had politicians and others from across the region, different political parties, different geographies, different sectors supporting Blackpool as the first priority, including other Councillors from Greater Manchester.

PROF STEPHEN CROW: Thank you, Mr Gallagher. Do you want to come in, I will give you a chance to comment on this, perhaps you'd like to wrap it up, if we make a note of what's said so you don't forget, well you won't forget will you. Miss Porter from the government office?

MISS PORTER: I just really want to emphasise what's already been said, but perhaps to re-emphasise some of the social impact of the casino that we'd have in Blackpool. We see worklessness as one of our key regional themes and priorities, and for Blackpool it is that case of looking, well opportunities are there for Blackpool to improve it's worklessness situation, and so we very much endorse the casino, recognising that it isn't just the casino development, there is the additional resort development, which will offer more, a broader range of jobs, and more sustainable jobs in the long term.

PROF STEPHEN CROW: If you were to learn that there weren't to be 2500 jobs, but less than a 1000, fewer than 1000 I should say, would your approach be different?

MISS PORTER: No, I don't think it would because I think it's about the transformational change that this would drive for Blackpool. And I don't think it's just limited to jobs. I think it is about educational aspiration, I think it's quite clearly linked back to things such a health, it's linked back to the crime, anti-social behaviour, it's a wide range of social issues. Worklessness for me, is key to those, but it isn't the sole thing.

PROF STEPHEN CROW: Thank you. Mr Biesterfield?

MR DAVID BIESTERFIELD: Yes, a few points, it won't come as any surprise at all if you were to hear that I'm afraid I disagree with this too. And we need a little bit of history here. First of all, if you look at the letter that the North West Development Agency wrote to Jane Bransby on your secretariat, on the 23rd December, it's very plain from that that indeed the Pion work was indeed the foundation of the regional support. And on that basis it becomes instructive to look at the time scale and the background to Pion's involvement on all this. So far as I am aware, and I am open, of course, to correction if Pion wish to correct it, but their initial involvement was, in this field, I'm not sure exactly of the timing, but they certainly did work for the cross industry group, which was effectively the casino industry, well represented by the American and foreign operators, making their case for resort casino development to the joint scrutiny committee of both Houses of Parliament. In addition, Pion were retained, this was in 2003, at around the same time, I don't know which came first, by an organisation called the Lancashire West Partnership, which is mostly, and as far as I can see, pretty much entirely local authority and government bodies of one sort or another, I think Leisure Parks may have been a member. And Pion were retained to, I quote, in their 2003 reports, "This document presents the Lancashire West casino impact study and action plan designed to support the development of and secure economic regeneration etc. etc. to establish a series of major resort casinos in Blackpool". So here we have Pion involved in

a study deliberately to support further promotion of Blackpool's chances, on the basis of multiple casino development there. In 2005, of course, they delivered their report to the NWDA, but as you know, before that, Blackpool had by then made their bid for URC status. Their URC bid was entirely based on the Master Plan, multiple casinos again. On the 11th November, 2004 the NWDA board met, and resolved officially, I have the minute here, to support Blackpool's bid for URC status. At that same meeting they resolved to formally appoint Pion to do a study, which emerged the next year as the 2005 Pion study. So what we see is that this is all self-fulfilling. That somebody has a bright idea about regional casinos in Blackpool, multiple casinos, nice drawings are drawn, regional support is garnered, a URC is applied for, Pion through all of this are presenting evidence in support, and again, coming back to Mr Froemberg's point, we strongly disagree with the pitch that Pion make about visitor numbers and spends. The information, as is clear from the documents, I'm not going to go through it now, we'll write to you after with this, but there's a paper trail on this which shows that Pion, at the direction of the Council relied exclusively on what the operators told them. And Mr Haslem at the meeting of the casino steering group, expressly stated to the members there, and Mr Twomey was present at the time, that in fact it would not be in the Council's interest to question the operators figures. Now, as I say, this is difficult to get across in the limited time that we have, I will do it separately, but in simple terms, the regional support, which after all, in so far as it has any binding effect, is a matter of RSS policy, because there's nothing in the RPPG 13 version of the RSS. That policy is still a draft policy, it's going to it's only IP, starting on the 31st October, but these clauses will not be considered, or policy WA won't be considered until January next year, after you've made your recommendation, and North East Manchester Limited, the URC for that area, and AGMA, the Association of Greater Manchester Authorities are all, as I think you know, and Manchester City Council as well, are vehemently opposing the prioritisation of Blackpool. The reason they do so is that they make their own criticisms of the Pion studies, which I'm not going to go into now, because I don't think we've got time. But there's a whole other raft of criticism of that work.

PROF STEPHEN CROW: Basically, what you seem to be saying is that no matter how much the evidence changed, the view of these people stays the same.

MR DAVID BIESTERFIELD: That's exactly the point.

PROF STEPHEN CROW: Is that right?

MR MICHAEL GALLAGHER: No sir, and Nick Gerrard will explain what the process has actually been.

MR NICK GERRARD: Nick Gerrard, we met yesterday. We appointed Pion in October 2004, as I explained at the inquiry yesterday, jointly with the Assembly and government office. At that stage, the legislation provided, sorry not the legislation, we were talking about 8 regional casinos, and we needed with the Assembly and a government office, we needed to establish a coherent policy position. So the brief for the study, which is set out in the document which you have, clearly identified, we wanted them to assess what would happen in the North West if the market were allowed to let rid, in other words, what's the capacity. And then where the most regenerative economic development and tourist impacts be achieved, on the basis at that time of all of the known interests for casino development in the North West. We established what all of the known interests where by writing to all of the local authorities in the entire North West, all 46 of them, to ask them were they in discussions, so that provided the remit for Pion's work. But the whole basis was to establish coherent policy position. It was only as we explained yesterday, it was only at the latter stages of the study the policy position changed, such that it was only going to be one casino, so we had to add an additional bit to the study. Well, OK then, if there's only going to be one, where is that one going to be. You know, where we can get, extract the most benefit from it. And I can repeat the discussion we had yesterday, if you wish me to on that point, but there's no need I suspect. The position that was established, pre the single casino, was the fact the North West had the capacity for six regional casinos and the recommended locations where most benefit could be achieved were 2 in Liverpool, 2 in Blackpool and 2 in Manchester. Now that position exists even though Liverpool isn't interested in promoting a regional casino, and they didn't submit anything to do. So for this to be presented as some form of a stitch up, we resent greatly. What we're trying to do is establish what the best position was for the North West

at that time, and then we had to fashion the end of the study, ask them to address the peculiar circumstances caused by the government's final decision to only have one.

PROF STEPHEN CROW: Well, that's fine. You were on the steering committee, I understand. What critical analysis did you feel on the steering committee you had the expertise to offer?

MR NICK GERRARD: How do you mean?

PROF STEPHEN CROW: Well, I mean if it was an academic paper, you would have subjected it to peer review, and got some pretty horrid comments back, in my experience, peer review. But was there anyone of the steering committee, with sufficient expertise, able to say, look Pion why have you said this, why have you said that?

MR NICK GERRARD: Well I can assure you, as a member of that steering group, indeed I chaired that steering group. We gave a very, very robust discussion in analysis, but we did not bring on another expert to challenge them, because the whole purpose of commissioning them in the first place was to find the expertise who understood the casino gaming industry, and I can tell you the people in local authorities who understand the international casino gaming industry are few and far between, if not non-existent. There are certainly none in my, the Development Agency, so we commissioned that expertise to advise us. And that's where we derived the expertise from. What the Panel were able to do, the very experienced people from the three organisations I've referred to, were able to challenge that and apply tests of common sense. And their experience of discussions with colleagues about it. So that was the process for the production of the study. But I mean it's very, totally typical of all of the public sector organisations for which I've worked, when you need specialist expertise to help to address a particular problem, you buy that expertise in.

PROF STEPHEN CROW: Well, I quite understand that, but of course you do appreciate that as we've gone round the country, we've seen quite a number of expert consultants' views, and they don't all tell the same story.

MR NICK GERRARD: Indeed not, but the thing was, the outcome, the issue, this wasn't just an issue about numbers, I mean what we'd asked Pion to do, was to do the numbers exercise and the technical test, which you've all seen. But the bases of decision making, as Mr Broomhead has pointed out, was not solely reliant. I mean clearly the Pion evidence was of importance, in the letter that Mr Biesterfeld's referred to. But the basis of decision making, and the considerations of which certainly our board had in hand, Mr Broomhead has already referred to those.

PROF STEPHEN CROW: Well, thanks Mr Gerrard, I don't think we're going to get any further than this.

MR NEIL MUNDY: I have a question of Mr Broomhead, and first of all thank you for your very clear statement. Could you tell me, tell the Panel, what's the level of investment going into Blackpool from the Regional Development Agency on the back of the Urban Regeneration Company?

MR STEVE BROOMHEAD: In total? Yes, up until the establishment of Re Blackpool we'd invested £15 million to support the Seafront regeneration and the central Blackpool Gateway area. Within the business plan for Re Blackpool, at the moment, as has already been explained, it's three year rolling plan, and there is £25 million available. We are of course, in discussions with Re Blackpool, regarding that issue and we've given them assurances that we are prepared to flex our priorities and our resource priorities, such as to help with land acquisition, if that was required. But it's at the moment, £40 million into Blackpool per se.

PROF STEPHEN CROW: Well thanks very much for that. Do you want to say any thing more, quickly about the regional situation of Blackpool?

DR JIM TWOMEY: Thank you Chair, but I would like to reinforce just what has been said, clearly there's an issue here of contesting our impartiality as part of this exercise. Let me say that the work we've done was through tender processes, subject to all the procurement protocol that exist within local and regional government and it just may be helpful to point out that in fact we've never before worked for Blackpool Borough Council.

PROF STEPHEN CROW: Thank you Dr Twomey. I think what I'm going to do now is to ask some of the outspoken members of the participants to just what thoughts you would like me to go

home with. Who will we start with, let's start with Councillor Bate? What's especially wrong with Blackpool having a regional casino, in your opinion, in a nutshell?

COUNCILLOR BATE: It's the most unsuitable place you could possibly think of to trial it, that's why. Because there are so many people with so many issues living so close. Gerald Kaufman's select committee, when they looked into it, they said not to put them too close to where people lived, and let the polluter pay, and make them pay for the gambling addiction that they were going to create, and that was ignored basically. I have studied this all the way through, and every sensible suggestion made by any committee has been ignored, Mr Pugh, the MP for Southport looked at it, he was the only non-gambling linked person on that committee of members of Parliament and members of the House of Lords, and he said on local television, I've looked at this, there is no regeneration in Blackpool in this. There was no definite revenue stream. I mean they're fiddling around trying to rent them the land and things, and they're trying to get some revenue stream, I understand that, but there isn't any definite revenue stream. Of course, everywhere else in the world there has been a definite revenue stream. There is no national gambling tax in America. The tax in Atlantic City is 8% and I think there's another 2% for something else, and that's entirely in the control of the people who've given the licence and the money is used, I'm sure for good things. In Las Vegas, of course, it's only 6%. We've just heard that the tax may be reduced from 40% to 20%. And in fact many of the Americans have said they won't come unless you do reduce this to 20%. The whole thing is riddled with inconsistencies.

PROF STEPHEN CROW: I suppose even if they had said we're going to, you know, take in X million a year into our coffers, you wouldn't terribly be impressed though would you?

COUNCILLOR BATE: Sorry, could you say that again?

PROF STEPHEN CROW: I said, supposing they had said something like, you know, as I was told in Dortmund, I've just forgotten the figure now, but they pay an enormous amount to the City Council and the State. If you've got figures like that coming across would you ...

COUNCILLOR BATE: It was have made a difference, my concern always has been the lack of debate, the lack of democracy, I am a democrat, and that's my concern all along, and since then, because I am one of the few that listens, I have been contacted by e-mail and letter and phone call by many, many people who have developed a problem with gambling, and they're all saying, oh you know, it will make it so much worse, don't do it. And I have e-mails everyday from Australia and New Zealand, and they've had those, they've done those mistakes, and they say don't make the same mistakes.

PROF STEPHEN CROW: Well thanks very much for that. Mr Edwards, what thoughts do you want me to go home with?

MR MICHAEL EDWARDS: A very brief thought, sir. I think I can trump both Mr Biesterfield and Mr Cam. I've been in the town 66 years, born in the town, lived here all my life. I have owned a casino, I inaugurated the one casino in Station Road, 1971 under the 1968 ...

PROF STEPHEN CROW: Mr Biesterfield could you put your, no not Mr Edwards, Mr Biesterfield, could you your cover down, I can't see Mr Edwards.

MR DAVID BIESTERFIELD: Oh I do apologise.

MR MICHAEL EDWARDS: I do want you to see me. Thank you. No, I inaugurated, with a partner, one of the three casinos, the Parish Casino in Station Road. I'll give just one thought for you. The regional casino is a pilot, and as a Blackpool lad, and as someone who's active in the community and interested in the area immediately to the south of the proposed site, I would say please don't experiment on Blackpool, we have far more to lose than any of the other bidders. None of them have the accommodation, the hotels, the amusement caterers that Blackpool has. And if this bid is wrong we will have a devastating effect on the economy of this town, and whose people whose livelihoods depends upon it. And I just say this, I believe Blackpool is healthy. It is a healthy economy. You don't try a new drug on a healthy body, and I'd say please, give it to the Dome, give it to Manchester, give it to anywhere but Blackpool.

PROF STEPHEN CROW: Thank you Mr Edwards. Mr Biesterfield?

MR DAVID BIESTERFIELD: Thank you, Professor. I'd start by leaving you with this thought. That you've heard a huge amount information today, with great respect to the Blackpool team, and I do respect them, the way they've put this together, and the way they've thought for this for 6 years. But I do ask you to look at not assertion, I ask you to look at evidence, empirical in so far

as it exists. And I ask you to conclude that although we are, on this side of the table, very much in a minority in this room, we are, or at least my company is, the only party that has actually given your Panel some real food for thought, in terms of the ability to test, what I say, are a whole range of unsubstantiated assertions upon which this bid relies. Its starts from the wrong point. They, throughout, have assumed multiple casinos. They still assume multiple casinos, that's behind the planning challenge, that's behind our major concerns there, along the way, it's redolent in every paragraph of the bid, virtually. The law, like it or not does not permit multiple casinos. Even if one was to assume that there might be relaxation a few years down the line, why should Blackpool, against competition from all over the country be the recipient of another licence, unless there is substantial, extension relation for which there is no basis to conclude at the moment, than Blackpool's vision, their dream, cannot be realised. It proceeds from that wrong starting point to mislead, and misrepresent in my submission. It effectively seeks to hold a gun, not just to this Panel's head but at every stage along the way, to anybody who raises a question about the bid. Unless we get a casino, Blackpool will close down. Well, sir, my company has more to lose than most by Blackpool closing down. We've been here for 25 years. We are successful in the town. We've shown huge commitment and be assured, no company wants to invest more and with a longer commitment to a greater extent than my company. We like Blackpool, we're long term players as we've shown. We want to stay here and do our bit. So although, yes, my motivation, of course, is trade driven, I argue that my arguments are sound and that indeed I am not to be disparaged because of that motivation, it is no different, I suggest to you than the motivation for my commercial colleagues on the other side as well.

PROF STEPHEN CROW: I think it's fair to say that in the 30 years I've been a planning inspector and doing things, I think most of the evidence is from people that have got some motivation to give it, so don't worry about that.

MR DAVID BIESTERFIELD: So it also ignores the green shoots. I'm not going to go into those, they're in the NERA report. They are encouraging and they are because the URC is beginning to bite. It would be extraordinary if, having been established, with all that's going on, that there weren't any green shoots. But those green shots are there, and they are well before any prospect of regional casinos. There is in any event, massive investment already committed, again wholly independent and regardless of regional casino development. Over £700 million, at least. And that's to ignore Storm City, which Mr Weaver disparages at the moment. That's another £500 million development, potentially. Thirdly it relies, in my submission, that's to say the bid relies on the efficient and partial research. I appreciate and understand what the lady from Ipsos MORI said, but she can't get away from her own company statement in her own research. It isn't to be relied on in judging the prevalent base. We know that the Sustainability Appraisal, another key document on which the Council rely, doesn't have a comparator, contrary to SEA directives. That lack of a comparator feeds through the Pion study, it's not a point which Mr Dodgeson got the chance, I think, to make. But you'll read it in his report. The core problem with his, with the Pion's projections for regeneration are that they assume that there will be, and cannot be, any other development on this enormous site. That's plainly nonsense, and although the Council have stated that there hasn't been a remote interest in development for 30 years, I know personally that that's not right, and my colleague on my left have made it plain also that it's not right. The truth is, the Council have been turning away investment because they're so focused on this casino dream. We've heard from Mr Hemmings that they're ready and willing to invest in their Victorian assets, we're here and ready to invest. I'm very sorry that Mr Cam's had a bad year, but I cannot believe that any tourist attraction that attracts 6 million visitors a year is seriously non-profitable. If he'd like to give me his liability I'd be very happy to take it over, along with his six million customers.

PROF STEPHEN CROW: Thank you very much Mr Biesterfield.

MR DAVID BIESTERFIELD. Finally, and this is the main point, of course, all the discussion we've had this afternoon on regeneration, is secondary in terms of your criteria. The primary test is whether Blackpool is the best possible test of social impact. I'm not going to rehearse all that we discussed this morning ...

PROF STEPHEN CROW: Well you said quite firmly that it wasn't.

MR DAVID BIESTERFIELD: That is our view, and I think the evidence before you, and I invite you to look at the evidence we've submitted shows very clearly that's not the case. Sadly Blackpool's uniqueness in that respect makes it an unsuitable place.

PROF STEPHEN CROW: Thank you, Mr Biesterfield. Mr Broomhead, did you want to say anything particularly striking at this stage?

MR STEVE BROOMHEAD: I've not been outspoken, sir, indeed I've saved my voice so I can cheer louder at rugby lead on Sunday. Just a comment, I think we've said from our side that the establishment of the resort casino here in Blackpool has the fourth regional support, except of course, Manchester City Council and others. It's based on evidence, you have clear evidence demonstrated today of socio-economic failure here in Blackpool, and if it's not supported there isn't a Plan B, and indeed the skull which is on Coral Island may be more symbolic economically than we may want to think of.

PROF STEPHEN CROW: Well, thank you very much, Mr Cam, a short word for us to go home with?

MR DAVID CAM: Thank you, sir, very much. I want to start with the Guidance Notes for Participants if I may sir? You're well rehearsed in them, but only to take one line from paragraph 4, and the first page, which is the government believes that it will have the, it, the regional casino will have the potential to bring in major investment and economic regeneration to the area which it is located. We ask you to accept, sir, that Blackpool will benefit the most, by far. We know, sir, and we made the point earlier on, that the investment in Blackpool in iconic attractions has in the past generated a great of interest, a great deal of interest from past and lapsed visitors, and indeed non-visitors. And the classical example of that was The Big One in 1994. That generated an increase in 35% of the visitors to Blackpool Pleasure Beach which in numerical terms is 1.8 million people in one year, to see that attraction, if not to ride it. Pleasure Beach is not afraid to invest in its infrastructure and has been doing so for many years. But at the moment, as I defined before, we have to face a period of contraction, rather than expansion in order to reduce the size of the operation with considerable overheads to meet the future potential in Blackpool as we see it. We have a brand new world beating ride on plan, we need the confidence to be able to convince our bank to be able to help us to build that, at a cost of between £18 and £20 million. That will bring people to town as well, but the infrastructure as such, in Blackpool, won't help us to develop that in the short term. A new regional casino would do precisely that. As regards to the sea wall, sir, a point mentioned earlier on about the investment in the sea wall, I think it's very important to stress that there have been new sea walls built, at enormous expense to government and to local government in the towns of New Brighton, Southport and Morecombe, which are very close to Blackpool. But in each of those towns, the authorities were unable or unwilling to invest in economic drivers. The economic driver for Blackpool is and always has been tourism. And the steps which have taken us to today, led by the Council's initiative, inspired by business enterprise, are precisely what Blackpool needs to take us forward as an economically thriving town in the 21st century. Whereas New Brighton, Morecombe are boarded up, and Southport lost its amusement park as you heard, only this week. The last thing sir, I noticed earlier, and forgive me for saying so that I noticed that perhaps, if I speak on behalf of the people of Blackpool behind me, that Mr Biesterfield a short while ago was becoming slightly agitated, but I have to say perhaps we have been rather agitated too, by the approach of a gentleman who has criticised and belittled our businesses, mine and Mr Hemming's particularly. He operates as many slot machines in Blackpool as we do, at Pleasure Beach, and Mr Hemmings operates 50% more than he does in Blackpool, and we're on this side of the table. The Noble organisation don't contribute to the business success of Blackpool, they don't join any membership organisations, they haven't contributed, in my memory, and indeed in the 26 years that I've been in senior management, not only in this town, but in this industry, I have yet to meet Mr Biesterfield's principal. I think that is significant, sir when it comes to attacks on a Blackpool initiative from a person who has actually come from a most secretive organisation, I've learnt as much about him now, as I think I have in the past.

PROF STEPHEN CROW: I think I really ought to stop you there, otherwise I'm going to have to ask Mr Biesterfield to reply.

MR DAVID CAM: But finally, sir, may I finish sir, that he comes from Gateshead not from Blackpool, he'll return to Gateshead. We are here, we're staying here, and I think it most regrettable that he should come across the Pennines to torpedo our lives work.

PROF STEPHEN CROW: Would you forgive me if I ignore the remarks about Mr Biesterfield's origins and his company, because that's not really evidence for us, is it?

MR DAVID CAM: No, sir, but it's distressing for us, as it no doubt is for him to hear our evidence.

PROF STEPHEN CROW: I can see your point, yes thank you very much Mr Cam. It's customary to give the proposing authority the last brief word.

MR STEVE WEAVER: I will endeavour to be extremely brief. First of all, can I thank you for your courtesy, particularly at the end of a long and no doubt tiring journey round the country.

PROF STEPHEN CROW: We've enjoyed it, not least coming here.

MR STEVE WEAVER: I'm just sorry you aren't able to spend more time in Blackpool, despite all the things that we've said about how much Blackpool is in decline, I am as proud as any of us in Blackpool about the jewels that still remain here, and I think there are still some fantastic things in Blackpool, and it's a great place. And I think that's why we're here, and I think everyone round this table wants to see a change, and everything I think sat out there wants to see this transformation. More than happy, as a body, which has absolutely no commercial interest, no profit interest whatsoever in any of this, for your deliberations to be taken on the evidence that's submitted in the sort of cold hard light of day, because I think doing that, our case will stand up to any form of scrutiny. We are the right and best test for social impact in terms of the nature of our population, and able to measure it. It will be transformation, even with only this one to start with, because of the confidence it will give to investment in terms of our existing major players and bringing new people in, and the confidence it will give to the Regional Development Agency and others in terms of public investment. If we don't get this, I do not believe we face a future which is anything else but a managed decline. And we will endeavour to manage that in the very best possible way. We have far more to gain than any of the other areas, and far more to lose. We do not have an alternative as everywhere else does. Our profile and projection is of decline, everywhere, every other's competing profile is upwards. And the final thing I would like to say is this has actually overwhelming support in Blackpool, and I'm sure you've been surprised by the large numbers of people here because of the level of interest, and the large level of support there is. And it is the place that's the nation's choice, that Populus survey showed that 38% of the British public want it in Blackpool, the next nearest place was Greenwich, which was 14%. Blackpool is the national's choice and I hope when you look at the cold evidence, in the cold light of day, you will come to that conclusion as well.

PROF STEPHEN CROW: Thank you, Mr Weaver. Yes, thank you. I did say that we would look, that the EIP here is only the tip of the iceberg. I think you should be assured, all of you, both sides of the room here, that we will spend quite a lot of time, shall we say diving through the cold water, looking at the rest of the iceberg. I think it only remains for me to thank you all for all the hard work that's been put in by all the participants, proposers, industry from various quarters, from residents, schools, higher education establishments, and the regional stakeholders, as I think they're called, not to mention the government office. Thank you all in the audience for, if I may call you that, we've had a good few sermons, so perhaps I ought to call you the congregation. Thank you all for your attention, having said the thanks it only remains for me to close the session. The session is now closed, and my God bless the journeys of everyone who has to travel home. Thank you.