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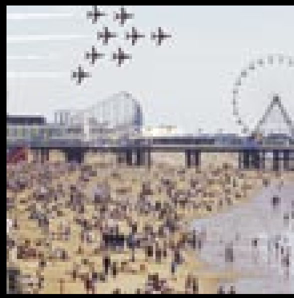

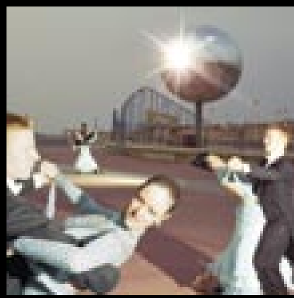

Submission to the Casino Advisory Panel

Towards a World Class Resort Destination

March 2006

Blackpool Council
BUILDING A BETTER COMMUNITY FOR ALL

Beacon Council
2004-2005
Benefits Administration

Casino Advisory Panel

Formal Proposal Cover Sheet

Name of Local Authority:

BLACKPOOL COUNCIL

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Title:	CHIEF EXECUTIVE, BLACKPOOL COUNCIL

Statement of basis of application:

What exactly are you proposing? Please make clear which type of casino you primarily wish to be considered for.

Regional Yes 1

Large (state number): No

Small (state number): No

If this proposal is unsuccessful what if any is your fall back/ second proposal?

Large (state number)

Small (state number).

Blackpool's Case

Introduction

Blackpool has a compelling case for selection as the national location for piloting regional casino development. This case is summarised below and is then developed in succinct, evidence based, answers to the Panel's questions.

Summary

Blackpool is overwhelmingly dependant on a seasonal, resort economy, which is shrinking and moving inexorably towards terminal decline. The symptoms of this decline are conspicuous in its physical appearance and the statistics that describe its social and economic condition. The resort area has seen limited private sector investment during the last two decades, confidence is low, and decline will soon place the resort in a position from which it cannot recover.

A dramatic new catalyst is needed urgently to kick-start the investment process, create new reasons to visit, grow visitor numbers, establish a vital and seasonally independent economy and safeguard the long term, future of the resort with its iconic Blackpool tower, piers, theatres and seafront attractions.

Blackpool Council and its regeneration partners have, together, prepared a visionary Masterplan for sustainable regeneration that will transform Blackpool into a quality, world class destination. This vision centrally depends on conference/casino development as the essential catalyst for transformational change.

Unlike many other towns and cities with an arsenal of regeneration strategies aimed at a variety of market opportunities, Blackpool simply lacks any viable alternatives. For this reason, after extensive independent research, the Northwest Development Agency (NWDA) has prioritised Blackpool for regional casino development, committed long-term financial support to delivery of the Masterplan and established the Urban Regeneration Company, ReBlackpool. This is the only URC in the country with a remit to deliver casino gambling as a keystone to its wider regeneration strategy.

The URC strategy directs regional casino development to a 23 acre, mixed use, conference/casino quarter which will set new quality standards in a vibrant, entertainment experience rooted in the seafront tradition. Visitor numbers will be high and footfall will be dense all year round. Blackpool understands how to manage this type of environment: it is a town that hosts political conferences, already has more than 2,000 adult prize machines in its arcades and three existing casinos, and has learned how to handle their impacts.

Blackpool is also uniquely placed to test the impact of casino development on local, regional and extra regional markets. It is a resort destination with city characteristics. Its local market extends across the urban Fylde Coast, its 250,000 inhabitants and socio-economic conditions ranging from relative affluence to intense, multiple deprivation and disadvantage. This population will exhibit the effects of social and economic impact as clearly as any that could be found; and because of its geographic containment this impact will be more easily and reliably measured. The high proportion of visiting, destination gamblers will also limit the potential dangers. These visitors are expected to account for some 90% of casino clients thereby maximising the net economic benefits to Blackpool. Indeed, with our current catchment area extending well beyond the Northwest and with a growing airport establishing links to Ireland, Central and Northern Europe, casino-led regeneration will grow the local, regional and national economies.

Blackpool expects the adverse social impact of casino development to be hugely outweighed by the positive impact, because it has been carefully researching the impacts of casino development in various jurisdictions for a number of years. It understands the critical importance of public education, awareness and treatment programmes, and what it has to do to get the best out of casino development economically. Blackpool has established a benchmark position on gambling prevalence across the Fylde Coast, it is carrying out a Social Impact Assessment with the Primary Care Trust and has used its Neighbourhood Renewal Fund and Local Area Agreement – its contract with Government - to ensure that local people will benefit from the opportunities created and be protected from any adverse effects.

Blackpool is working with Lancashire Constabulary to ensure that any issues of public safety and crime are dealt with as part of an integrated Public Health approach to the management and administration of gambling. It has an agreed, draft Statement of Licensing Policy and will use licensing and legal agreements to secure operator participation in the continuous development of social responsibility programmes and the establishment of an approach that is internationally, best of class.

This determination to succeed through responsible and innovative programmes is also reflected in the progress Blackpool Council and its partners have made in establishing Europe's first gaming academy on the Blackpool and Fylde College campus, embedding vocational training bursaries for young disadvantaged people and mature unemployed into all Masterplan contracts, and developing a New Blackpool Enterprise Centre in the heart of the URC area.

Blackpool has been developing the concept of casino-led resort regeneration for over five years. There is widespread support[1] across the Fylde Coast for the Masterplan based, resort casino proposals. Support in Blackpool includes all parties on the Council along with virtually unanimous support of Councillors, businesses both small and large and local stakeholders in the voluntary and statutory sector. Support extends to all local authorities in Lancashire, the Lancashire Economic Partnership, the Northwest Development Agency, the North West Regional Assembly, and includes members of both houses in Parliament. There is a small anti-gambling lobby locally, but this is characteristic of all gambling jurisdictions around the world.

Our case, which is developed below, does not always provide the necessary detail because of space constraints. We stand ready to provide further detail on any or all our answers. Some evidence addresses several questions; hence, we number responses and cross-refer.

Questions and Answers

1. Type of Area:

1.1 Information on the population base...

Blackpool Borough covers 44 km^2 (17 square miles); it is mainly urban, with 7 miles (11.2 km) of sea front. Blackpool's current resident population is 142,700[2], down by 9,100 (6%) since 1981. Birth rates are lower and death rates higher than regional and national averages; net migration gain fails to compensate for natural decline. The biggest losses have occurred in the young adult, 15-29, and active elderly, 60-79, age groups.

- 54.9% of Blackpool's population are less than 45 years of age - 60.2% in England & Wales (E&W);
- 25.5% are 60 years and over - E&W 20.9%;
- There is a small (1.6%) black minority ethnic (BME) community, only one-fifth the national proportion;
- 16.1% of the 16-74 population are retired - E&W 13.6%;
- 9.8% permanently sick or disabled - E&W 5.5%;
- 37.8% of 16-74 year olds have no qualification - E&W 29.1%;
- 16.4% have Level 3 qualification and above - E&W 28.0%;
- 32.1% are in higher-level managerial and senior official, professional, or associate professional and service occupations - E&W 40.1%;
- 18.7% in personal service or sales and customer service occupations - E&W 14.6%;
- 14.8% in the lowest-level elementary occupations - E&W 11.9%;
- Socio-economically, only 18.1% are in employer, managerial or professional groups - E&W 27.1%;
- 23.9% are in semi-routine and routine groups - E&W 20.8%.

Some 30,000 people, plus a large transient population, live in the resort core; here, there are exceptionally high levels of mobility, especially of children[3], and intense deprivation (#1.4 below).

Blackpool is the main retail, public administration, cultural, and service centre for some 250,000 people in the growing Fylde coast agglomeration, which is within a 20 minute drive time of Blackpool's resort core. A 10-mile (16-km) rural belt separates this from the main North West "megalopolis". But a dense Motorway network brings 2.3 million adults within a one-hour drive time, 10.7 million within two hours.

1.2 The current levels of tourism in the area...

Despite 20 years of relentless decline in visitor numbers (13.2m-10.7m 1983-2003), Blackpool remains the most visited resort in the UK, with the majority of visits (65%) originating from outside the region. Blackpool has 751 acres (304 ha) of urban seafront dedicated to attracting and entertaining visitors, 2264 hotels and guest houses with 67,480 holiday bed spaces, 8,000 parking spaces, 723 licensed taxis, 39.1m square feet (3.6m m^2) of hotels, theatres, amusement rides, attractions, retail outlets, cafes, clubs, bars and restaurants, Blackpool's iconic Tower, seafront piers and Pleasure Beach. 89% of jobs are in the service sector, almost half directly related to tourism.

Transport access is excellent: the six-lane M55 Motorway from the M6 feeds directly into the town centre via the 2-mile Central Gateway to its terminus at the doors of the planned Conference-Casino Quarter (CCQ). Blackpool North Station is served by frequent regular services from the national rail network. A major station redevelopment is planned to begin within the next 2/3 years. The last remaining traditional tramway in Britain, 11 miles (18 km) between Starr Gate and Fleetwood, carries peak loads of 50,000 passengers per day.

Decline continues to accelerate; private investment is minimal, visitor numbers, overnight visits and overall visitor spend are decreasing year on year, market appeal is narrowing, the critically-important conference trade (including party conferences) is eroding and increasingly concentrated into shorter, less pronounced periods of activity. The NWDA report, *A New Vision for Northwest Coastal Resorts*[4], states that 'Blackpool is on the critically ill list and will be on its deathbed unless radical action is taken soon'.

Blackpool's response is its vision of a 'New Blackpool': 'a regenerated seaside resort, driven by quality, which has been shaped into a national and international destination, delivering benefits for residents and visitors'[5]. Emerging from a very deliberate, five-year public consultation and engagement process, involving the people of Blackpool and its sub-region, together with potential local, regional and national partners, this vision is backed by a comprehensive Masterplan[6] for the resort, which is starting to deliver the needed physical transformation. The plan identifies and fills a key gap in the UK market for a high-quality, resort-style entertainment centre:

- specifically catering for the growth of the 50+ age group;
- using regional casino development as core of a new Conference-Casino Quarter (CCQ), including new hotels, to kick-start change and act as catalyst for wider, private investment;
- simultaneously injecting major public investment in seafront reconstruction and tramway modernisation;
- exploiting the potential to link to markets in Europe through Blackpool International Airport and its fast-expanding association with leading low cost carriers including Ryanair, Jet2.com and Monarch.

1.3 Local plans and strategies...

Our plans for regional casino-based regeneration have been developed through a closely-linked series of policy documents:

- *2002: Sea Change*[7] report, drawing Government's attention to needs and opportunities for change in the resort core, established the case for focused, public intervention, and was successful in securing Economic Development Zone status for the resort core and a Masterplan-led approach to regeneration;
- 2003: Masterplan[8] developing the *Sea Change* report, tested concepts and options, assessed impacts and costs, and concluded with a preferred development plan supported by technical descriptions and three-dimensional visualisations;
- 2004: Blackpool Council's Local Plan[9] incorporated many of the proposals from the Masterplan and embodied them into the statutory policy framework (to be adopted in summer 2006 and translated into a new-style Local Development Framework in 2009) that will guide development and redevelopment over the period to 2016;
- 2004: case made (and accepted) to ODPM and DTI for focused resort regeneration in Blackpool through the creation of an Urban Regeneration Company, with £420m of public investment for the casino-led regeneration process;
- 2005: establishment of the Blackpool URC, ReBlackpool, at the Urban Summit; its 2005-2008 business plan, six months later, determined priorities, established the inaugural 3-year rolling investment plan, and established a clear action programme to deliver early casino development;
- 2005: Council Corporate Performance Plan (2005-07)[10] establishes the New Blackpool vision as one of three corporate priorities;
- 2006: the Council's emerging Tourism, Heritage[11] and Cultural[12] Strategies focus on the 'New Blackpool' imperative, adopt quality as the universal driver, and develop proposals and actions to lift quality, capitalise upon and develop the distinct Blackpool tourist product, and create a sustainable and distinctive resort experience;
- 2006: the draft Statement of Licensing Policy[13] establishes the principles the Council will apply in exercising its licensing functions over the next three years;
- 2006: the Council's pioneering Local Area Agreement (LAA) - a contract with Government to improve services to local people, involving statutory public agencies and signed by Ministers - provides the crucial framework for delivering regeneration opportunities to people in the most deprived areas of the town, including support to tourism enterprise and business.

1.4 The principal needs of regeneration...

As established in #1.1 and #1.2, Blackpool is an economically challenged and deeply deprived town.

- Its basic industry, tourism, is in sharp decline that could prove terminal if action is not taken soon.
- Average weekly earnings (£333.10) are one quarter lower than the UK average (£431.20)[14]; GVA per capita, £11,569, against the national average of £16,068[15], is the 16th lowest in England (2003 figures).
- Blackpool is the 6th most deprived local authority area in the North West and 24th most deprived in England[16].
- 25.4% of the population report a limiting long-term illness (9th highest in England & Wales, against 18.2% nationally); 13.9% describe their general health as "not good" (10th highest, 9.2% nationally).
- Worklessness levels are high; almost 40% of people of working age are economically inactive.
- Unemployment is 3.6%[17] against a regional average of 2.1%.
- Blackpool has the fourth highest proportion of benefits claimants in the North West[18].
- Lone parents with dependent children total 8.4%, against 6.5% in England & Wales, ranking 33rd

nationally. Privately rented homes, at 16%, are twice the national average.

Twenty-five localities – 18 in the resort core (see Diagram 2) – are in the most deprived 10% of all lower-layer super output areas in England, with:

- high levels of transience; high levels of worklessness (44%), unemployment (13%) and poverty;
- low educational attainment at all Key Stages (50% having no qualification)[19];
- dense, poor-quality, privately-rented housing (almost 50% of the total);
- poor health (18%, twice national level) and low life expectancy; and low socio-economic status (8% AB managerial/professional, 50% DE unskilled/ unemployed).

Declining demand for Blackpool's huge stock of small hotels and guesthouses is forcing high-density, poor quality, but relatively low-rent accommodation on to the residential market, fuelling in-migration of households dependent on housing benefit, and further intensifying the problem.

Blackpool's regeneration strategy, outlined in #1.3, specifically addresses these challenges through integrated physical and social policy streams (see Diagram 1 below). It uses ***physical regeneration*** – specifically, the development of the CCQ on a prominent site in the resort core – as a means to comprehensive ***economic regeneration***, re-inventing the town's basic tourist industry by creating an all year round, total entertainment and conference experience with wide market appeal and independence from seasonal fluctuations, thus attracting new and more affluent visitors who will inject spending not only within the quarter, but through multiplier effects across the town. Though this is central and crucial, it is only part of a much wider programme of resort improvements that include major assets like the Pleasure Beach, Tower, Piers, and seafront. It is also designed to grow existing customer markets, recapture old ones (including conferences and retail trade) and develop new ones – and rebuild the tourist economy.

It combines the resources generated with new and existing programmes to deliver broad-based ***social regeneration*** which will target education, employment and lifestyle opportunities to those individuals, families and communities most in need; minimise any consequent risk to these vulnerable residents; train and equip them to occupy the new employment opportunities that economic regeneration will create, replacing low-quality, low-paid, seasonal jobs with full-time jobs and careers. This will assist in reducing unemployment rates and incapacity benefit claimants, reactivate the housing market in the resort core and help to create healthy neighbourhoods. Thus, the three streams work together to secure sustainable resort regeneration.

1.5 Anything in the area which would...

Blackpool is ideally placed to test the social impact of a regional casino, for three principal reasons:

- Geography , economy and demography: Blackpool is unusual in being locally isolated (with the rural Fylde separating it from the urban North West) but regionally accessible (with 10.7m adults within 2 hours' drive time). Its casino development will target a wide catchment (90% regional or extra-regional), sharply reducing the risks of impulse gambling, while

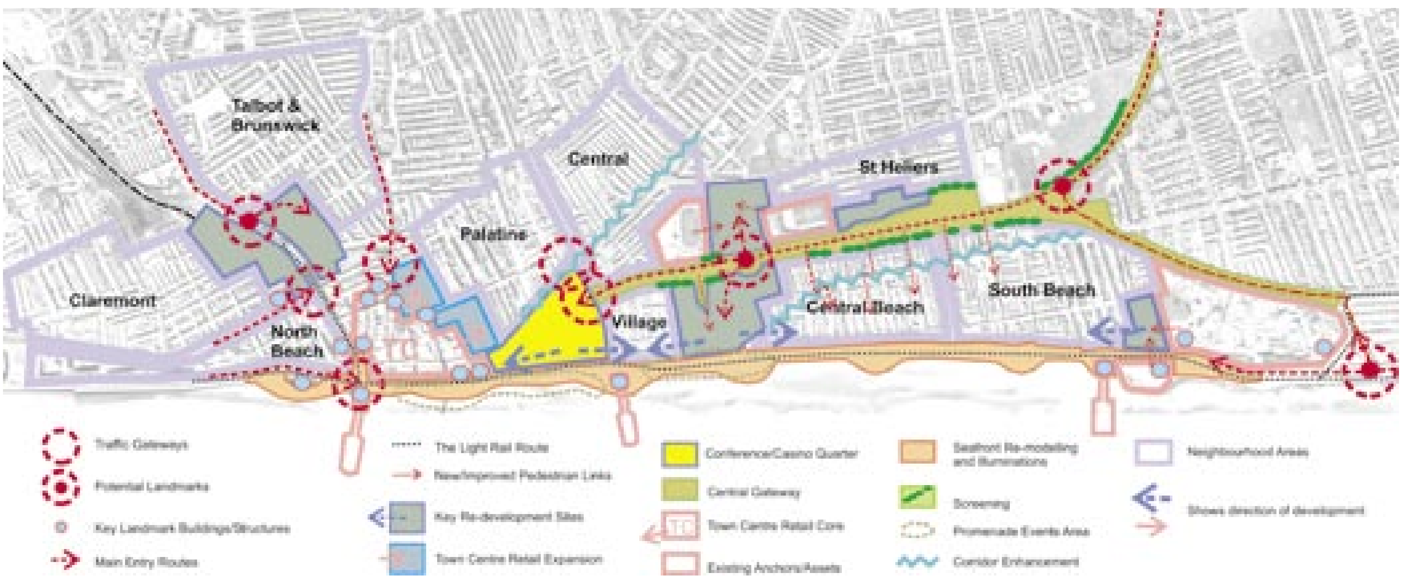


Diagram 1: Spatial Development Plan

any local impacts on our population, with its typically urban profile, will be relatively easily measurable. Its dependence on tourism means that casino-led regeneration will produce visible and measurable social outcomes in our most deprived areas;

- Relevant experience: Blackpool is already a permitted area with casino gambling and a concentration of gambling machines in seafront arcades. It has extensively researched and understands the potential negative social impacts of gambling expansion, and has used this knowledge and experience to develop specific programmes to ameliorate these impacts; see #2.2-2.4 below.
- Measurement capacity: Out of our research, we have developed detailed baseline material, allowing us to make detailed measurement of impacts: see #2.1 below.

Though specific to Blackpool, these results will provide important policy lessons that, can then be applied generally in other urban contexts.

2. Social Impact:

2.1 What do you consider the social...

Inevitably, there will be both positive and negative outcomes; our strategy is to use the former to help effectively manage the latter. #1.4 has shown that Blackpool's central aim is to use a regional casino as the heart of a much wider programme of regeneration, to transform the town and the lives of its residents by generating thousands of new jobs and training opportunities, as well as contributing to social regeneration programmes to improve the health, wellbeing, and safety of residents. These will be generated not only by the CCQ but also by the multiplier effects it generates in the wider tourist economy.

With more than 90% of visits originating outside Blackpool the local economic and social benefits will be significant.

A strategic and targeted approach to recruitment and training will be developed by the Casino Training Alliance through an employment team in the New Blackpool Enterprise Centre in Waterloo Ward; opening in 2007 and involving the successful casino operator this will seek to ensure that 60% [20] of unemployed local residents in the resort core will access the 2,500 to 3,400 new jobs we project as a direct result of the casino development. This will reduce income deprivation, improve health, enhance education and skills, and reduce crime and anti-social behaviour. Casino development will help reduce alcohol-related crime by expanding the tourist offer from one narrowly based on the 'stag and hen' culture to one increasingly based on higher income levels and broader spending patterns.

We can support these expectations of overriding positive social impacts through our rigorous assessment approach to date, having undertaken several studies of social and health impact including a multi-stakeholder Integrated Impact Appraisal of the Blackpool Masterplan[21], and a Sustainability Appraisal[22] of the local development document for the CCQ. Such work continues; a social impact assessment[23] against baseline social and regeneration indicators, led by Lancaster University, is due to report at the end of April 2006.

2.2 If your evaluation of some criteria...

As demonstrated in #1.4 and #2.1, our strategy is to use economic regeneration to generate resources to tackle negative impacts. The Sustainability Appraisal of the final submitted draft Regional Spatial Strategy[24] has identified possible negative impacts on health and crime of its policy W8, which supports regional Casino development in Blackpool. We well understand them, having commissioned studies of these impacts and mitigation measures, described in #2.3 and #2.5 below. In parallel, we have developed robust programmes to minimise and manage them through our strong and well-established multi-agency partnership with the private, public and voluntary agencies. As a result, we believe that negative consequences will be minimised through:

- the way the Gambling Act has been framed;
- our draft Statement of Licensing Policy, set within the Act's framework, aiming to minimise impacts on vulnerable people through proactive education, awareness-raising and regulation;
- the way we have shaped our proposals to maximise positive economic and social benefits to our communities;
- our strategy for Gambling Harm Reduction[25] in Blackpool, that will develop harm minimisation initiatives and services for problem gamblers. It will include evidence-based education, preventative and treatment programmes linked to mainstream services and based on a tiered approach to treatment, dovetailing with voluntary, community and self-help groups;
- physical design guidance being provided to design in community safety.

2.3 What do you say to those who claim that...

The Budd Report identified potentially negative consequences of gambling[26], including impacts on families and communities. To coincide with the results from the 2006 British Gambling Prevalence Survey we engaged IPSOS/ MORI to carry out a 2006 sample survey of the leisure and gambling behaviour of 1,100 Blackpool and Fylde Coast residents (including a 'booster' within the resort core area);

initial results show that gambling prevalence and problem gambling in Blackpool correspond to the national average. Our economic impact assessment[27] assumes that casino gambling prevalence will fall within the range 14% to 18%. International research suggests that higher prevalence does not necessarily lead to an increase in problem gambling[28] [29] so long as it is accompanied by accessible educational programmes for residents and visitors and the provision of services for problem gamblers[30], such as those we are planning to introduce in Blackpool.

Using the information on gambling behaviours from the IPSOS/MORI survey[31], our knowledge of the distribution of gambling opportunities in the town and the results of our social impact assessment, we have developed a proactive and precautionary approach to gambling and its social impacts as outlined in our draft Statement of Licensing Policy[32]. This draft policy, due shortly to go to consultation, seeks to:

- establish a Gambling Forum;
- initiate awareness and education campaigns[33];
- ensure social responsibility policies are in place; and,
- use our licensing and enforcement powers to regulate gambling facilities to ensure that young people and vulnerable adults and communities are protected.

Social responsibility policies will also be a critical factor in our selection of an operator. Finally, using our strategy for Gambling Harm Reduction in Blackpool, we will trial brief interventions and strengthen counselling and treatment services in partnership with mainstream and voluntary sector service providers and GamCare[34].

2.4 Any policies or procedures in place...

Our pioneering Local Area Agreement directly aims to address issues of deprivation and community cohesion through a coordinated multi-agency approach in our most deprived neighbourhoods. The LAA will offer support and pathways to opportunities stemming from our regeneration programme, through a £60 million+ programme over three years. This will especially target the most vulnerable people and families in those communities to ensure that they both benefit from developments and are protected from possible harm.

To meet problem gambling we are building on our successful Alcohol and Drug Services and developing a ‘Break Even’ partner for the delivery of gambling treatment services. Our developing strategy for Gambling Harm Reduction includes prevention and service provision and builds on the tiered model of care for alcohol misuse interventions, ranging from Tier 1 (screening via non-specific community services which may come into contact with problem gamblers) to Tier 4 (specialist services for pathological gamblers).

Our intention is to establish a Community Regeneration Fund, using approximately £1-2 million per annum for community based projects to help offer opportunities to local people and mitigate any problems caused by the regional casino. This will be funded from operator contributions that will be competitively negotiated in our operator selection process, the BID investment plan, locally retained growth in commercial rates, and contributions from other development projects.

2.5 Details of how you would test...

We recognise that as the single regional casino pilot we would have a responsibility to monitor and report on social impacts. We are working closely with Lancaster University[35] to develop an ongoing monitoring and reporting role looking at health and social impacts of gambling at a number of different levels that could contribute to the development of a comprehensive gambling monitoring system in the UK as suggested by RIGT[36].

We will utilise the indicators of social impact set out in our Social Impact Assessment Matrix and indicators listed in the draft Statement of Licensing Policy to establish a monitoring framework which can be measured and reported regularly and frequently over time. Crucially, this will be used to measure the impact of our different actions to reduce negative outcomes, and to guide future policy. The framework will include:

- Problem gambling ‘prevalence’[37] and gambling behaviours (we will repeat our gambling behaviours survey triennially);
- Social impacts including individual health and well-being; crime; educational attainment; substance abuse; teenage pregnancy, debt, domestic violence, bankruptcy and so on;
- Contextual quality of life conditions including economic regeneration indicators such as jobs created, level of investment, business start-ups, together with community cohesion, environmental quality and socio-economic deprivation;
- Perception and satisfaction surveys via Blackpool Citizens’ Panel and Focus Groups, including questions about quality of life improvements and whether the town/neighbourhood is improving and if gambling is having adverse effects in the town;
- Revenues and other benefits accruing to the town from casino operation and how this is being used to benefit public services and community projects.

2.6 Comparable initiatives in place...

We have unusually highly-developed visitor management expertise, both in terms of general leisure and holiday trips and major one-off events such as party political conferences, Illuminations switch-on, and Tour of Britain. This relies on well co-ordinated good working relationships between the main public agencies and commercial interests. We have many years experience of minimising the social and environmental impacts of visitors and events on the resident population: our infrastructure is geared to handling large numbers of people. Blackpool can demonstrate expertise in licensing, destination management, visitor services, marketing, branding and positioning, quality, skills and customer service and also in the provision of public services such as street cleansing and waste collection and disposal at times when visitor numbers massively exceed the town's own population.

Blackpool has a good track record on measures to ameliorate social impacts of similar activities in our community. Joint working amongst the main agencies is the norm: the Police, Health Service and the Council have developed a series of joint strategies and initiatives that are both innovative and effective for managing social issues:

- We were the first Council in the North West to attain Business Improvement District status[38] for our town centre: the Council works with partners to improve the quality and management of the centre, including issues such as crime, begging and anti-social behaviour.
- Our Alcohol Harm Reduction Strategy[39] brings together the three agencies and the private sector, with voluntary agreements in place amongst 90% of alcohol outlets on initiatives to tackle underage drinking and alcohol abuse. Blackpool is considered a leading exponent in this field and many other jurisdictions (including international ones) have visited us to adopt our methods.
- The same agencies have cooperated to reduce the numbers leading a chaotic lifestyle through drug addiction. The intermediate shared care clinic[40] allows GPs to treat reforming drug addicts outside their normal practices, bringing other health professionals in to help. We have reduced waiting times for prescribed treatment from over a year to around two weeks, resulting in a considerable fall in the number of drug-related deaths in Blackpool.
- This is coupled with work on crime reduction by targeting the worst offenders in the Tower project, where work with problem drug users who committed much of the town's acquisitive crime produced a 50%+ reduction in burglaries and car crime over a 3-year period. Following Home Office recommendations, many other authorities now use Blackpool's system for reducing crime and drug use.
- We have piloted the Reassurance programme[41] to tackle crime and disorder, fear of crime and anti-social behaviour, thereby achieving more stable communities. A multi-agency team works with local communities in our most deprived wards to agree priorities and action them quickly. We are extending this to areas around the core in our Reassurance Plus initiative.
- Our Springboard project, part of our Local Area Agreement, coordinates approaches to vulnerable families by agencies (Police, Social Services, Probation, Health, Education, Careers, Benefits) through one coordinating contact point to break the cycle of deprivation for many of these families where worklessness and benefits are the norm.

2.7 Existing and planned job creation...

Our programmes are based on the Skills Study, commissioned by the Lancashire West Partnership[42] in 2005, which showed a serious shortage of job opportunities at higher managerial , technical and professional levels (currently 10%) and a lack of Basic Skills/Skills for Life in the population. To meet these challenges Blackpool has established an extensive range of initiatives, in partnership with local and regional agencies, to deliver and enhance job opportunities, particularly for those in its deprived inner neighbourhoods, allowing them to benefit from and contribute to these opportunities. Specifically:

- We have received support through the Pathways to Work programme and the Northern Way for our work in getting people on incapacity benefit back in to work, particularly a programme to bring people from benefit into self-employment. We plan to create over 150 new businesses in this way over the next three years.
- We have developed support programmes to encourage the development of Social Enterprises that will establish businesses, embedded in our deprived communities, providing employment and training opportunities especially for those who are less able to compete in mainstream employment.
- We are developing a "Blackpool Bursary", initially with Blackpool and the Fylde College, to provide more skilled workers, initially in the construction industry. We have also worked with the College and the private sector to establish the region's first training hotel: a 3-star 100-room hotel offering a real-life environment for trainees in the industry.
- Our new Regional Gaming Academy, based in the College, and supported by the Council, the LSC Lancashire and the NWDA, includes a real-life

casino environment and training in disciplines such as computer technology (for slots), accountancy, management, customer care and, of course, gaming related skills. This course has been designed and is delivered on advice and support from the industry locally, nationally and internationally. More than 50% of course participants will come from the most deprived areas in the sub-region. A skills study by PION showed that a casino development could deliver a wide range of jobs, 70% requiring NVQ2 or lower; Blackpool responded by creating the Casino Training Alliance, the first of its type, to ensure that as many jobs as possible will go to local people. All these initiatives are embedded in the Economic Development and Enterprise section of our Local Area Agreement.

- We are building a £3 million New Blackpool Enterprise Centre to act as the hub for employment, business and skills initiatives to feed into our Masterplan projects including the CCQ.
- Together with Blackpool and the Fylde College and in association with Lancaster University, we are actively developing plans for a Higher Education Centre, close to the CCQ, to serve local companies and become a national centre for gaming expertise and training.

2.8 Detailed of existing and planned relationships...

We have established a close partnership at strategic and local levels between public, private and voluntary sector organisations to support our social development activities. This is reflected in the membership of the Local Strategic Partnership, which supports this bid, and the Casino Steering Group, which has formulated it. The LSP has been at the centre of most of the initiatives detailed in #4.4 including the Local Area Agreement.

There are a number of services dealing with gambling and related issues in Blackpool. We are working with voluntary groups such as Addaction, Inward House, ADS and others and achieving significant reductions in specific addiction issues and associated problems. Concern has been expressed by the Youth Offending Team regarding the role of slot machines in fuelling problematic gambling in young people in Blackpool[43]. However, the Local Child and Adolescent Mental Health Services (CAMHS) Team report few referrals for gambling related problems. We have investigated the issues of young people and gambling through Lancaster University and are developing strategies to deal with possible problems. The existing services will be coordinated, as part of our partnership approach to Gambling Harm Reduction; this will also include national organisations such as Gamblers Anonymous.

3. Need for Regeneration:

3.1 Supporting information, including from relevant...

Relevant data on current status have been detailed at #1.1, #1.2 and #1.4.

Our proposal will deliver casino-led resort regeneration through ReBlackpool, Blackpool's Urban Regeneration Company. Its successful submission to DtI and the ODPM is based on gross public sector funding of £0.42 billion and private sector leverage of some £2.1 billion. This £2.52 billion investment will focus on the resort core in a 15-year programme, achieving:

- reinvention of the sea front, and refreshment of Blackpool's iconic Tower, Piers, Pleasure Beach and seafront attractions;
- eventual development of an integrated seafront cluster of resort casinos, working out from the creation of the initial CCQ on Blackpool's historic Golden Mile;
- extensive retail-based town centre renewal, modernisation of the tram system and road and rail gateways;
- the development of increased passenger capacity with a training and maintenance centre at Blackpool's expanding, international airport;
- in consequence, a visitor experience which is best of class;
- integrated neighbourhood improvement through the Springboard, Reassurance Plus and Pathways to Work programmes, plus substantial housing and hotel development.

The £100m seafront reconstruction project is underway. The first phase of the Central Gateway into the CCQ is nearing completion; future phases are in the pre-construction stage and development of the 23-acre (10-ha), 2m square-foot (186,000 m^2) CCQ is at an advanced planning stage. This maximises regeneration benefit by focusing the regional casino within a prime, central seafront site designated formally for phased, comprehensive mixed-use development including conference/exhibition, leisure, food/beverage, and hotel uses. The URC has worked with architects, quantity surveyors, and commercial advisors to help to develop and assess scheme options that conform to the requirements of the statutory plan, are commercially attractive and deliver the optimum regeneration benefit. It has also used operational information, supplied by casino operators with UK and international experience to model the potential, economic impact of casino development.

PION Economics has computed the economic impacts of the CCQ development by modelling a range of potential impacts and assessments associated with these different operating philosophies and business models. These range from £200m to £450m of capital investment and levels of between 2.5m and 3.5m gambling visits (4.2m and 5.5m total visits) per annum. The URC is confident that strong operator interest, in a positive regulatory environment, will support investment levels, visit numbers, and regeneration benefits towards the upper end of this range.

Work has started on the £30m first phase of town centre retail expansion and selection of a preferred developer partner for the 32-acre (13-ha) Talbot Gateway phase is underway. The plan for modernisation and phased extension of the tram system has secured formal regional priority status and the £88 million (2005 prices) scheme is being appraised by DfT.

A decision to award the regional casino licence to Blackpool will, in itself, begin the regeneration process by igniting investor interest and influencing business improvements. Transformational change, however, will only come with the dramatic growth in visitor numbers resulting from completion of new attractions in the CCQ. This is expected to occur during the period 2009-2012 and return visitor numbers to the levels experienced in the early 1990's. Without regional casino development decline will continue to accelerate.

3.2 Supporting details of the level...

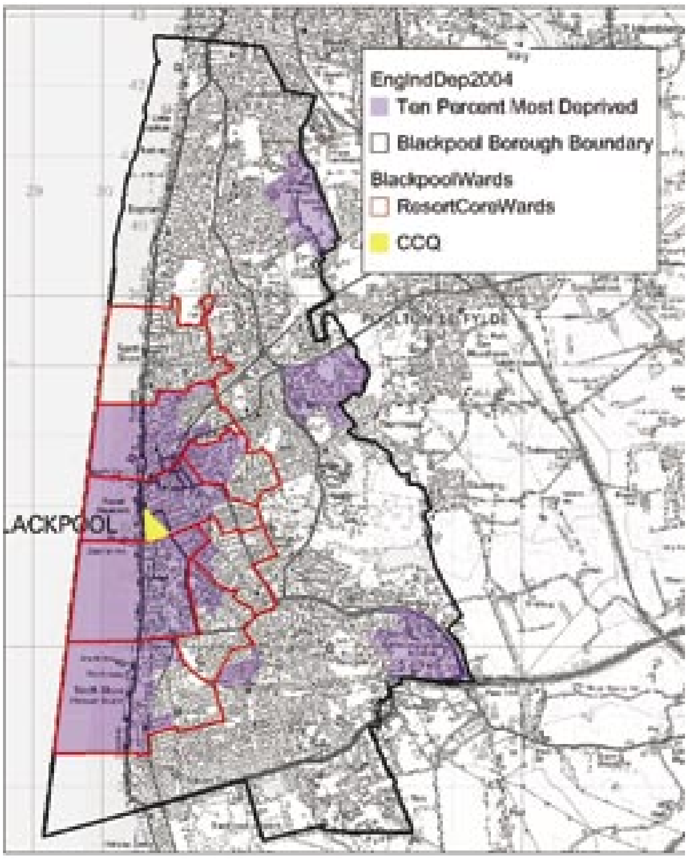
The PION model (#3.1) defines GVA as the difference between total revenue and the spending on material inputs incurred in generating that revenue. The GVA contribution arising directly from a mixed development of the CCQ, including a regional casino and conference centre, is estimated to fall within the range £62.0m to £96.4m, representing an increase of between 3.8% and 5.8% of annual GVA (2003 figures). The major components of the GVA are profits and wages, and the latter will support direct and induced employment in the range of 2500 to 3400 full time equivalent jobs[44].

Development of the CCQ will also trigger investment elsewhere in the resort economy. There will, as a consequence, be additional, indirect growth in employment and GVA as a result of investment in airport expansion, other new major development and business improvement plans and incremental improvement in the influential small and medium business sector. This is being computed and will be made available during 2006 as developer/operator partners are secured and the scale and timing of the different private and public/private developments become more certain.

3.3 Are there parts of your area the regeneration...

The CCQ has been deliberately located in the resort core, not only because this is the economically optimal location to attract visitors approaching from motorway, airport or public transport, but also because here it will most readily serve the social regeneration of the immediately-surrounding deeply-deprived wards (see Diagram 2). Specifically, it will:

Diagram 2: CCQ, Resort Core and Deprived Areas



- directly, through Springboard, Reassurance Plus and Pathways programmes, target 60% of new jobs created in the quarter into the eight deprived neighbourhoods constituting the resort core, reactivate their local housing markets, and support radical physical change as a precursor to the creation of healthier neighbourhoods;
- indirectly, release the 4.1 acres (1.65-ha) Winter Gardens site for the mixed retail/leisure development anticipated in the Masterplan and Statutory Local Plan;
- indirectly, stimulate investment in plans prepared by Leisure Parcs for the Blackpool Tower complex and North and Central Piers, thus growing a completely regenerated tourist core;
- indirectly through large increases in footfall and business in adjoining hotel, town centre and seafront areas, ignite investment in property and business improvement.

3.4 How and why do you expect that the "multiplier effect"...

The CCQ will generate simultaneous multipliers and leakages. Visits by new and returning visitors will bring substantial new spending; leakage will occur through the purchase of goods and materials sourced outside the local area. Blackpool will maximise the former and minimise the latter; specifically because:

- some of the wide range of new employment opportunities will go to individuals outside Blackpool. Blackpool will not view benefits to the wider sub-regional economy as negative but will seek to ensure that the public benefit target of reducing claimant unemployment in Blackpool resort core by 60% will be achieved;
- some demands for goods and services will not be entirely satisfied by local supply chains. Blackpool will work with local and sub-regional partners to ensure that the established supply chain, servicing the hospitality and entertainment sector, connects with new businesses and the supply base within Blackpool and its sub-region to reduce leakage from Blackpool and its sub-region;
- for spending elsewhere in the national economy on businesses that purchase goods and services outside the local area, over time Blackpool will apply the approach outlined above to minimise leakage.

3.5 Any other regeneration outputs and outcomes...

Regional casino development will give rise to additional outputs and outcomes. It will:

- enable the delivery of a contemporary conference/ exhibition/events venue to replace the Winter Gardens;
- introduce a major new player to the resort core, bring other new businesses with modern business practices and acumen, add gravitas to the seafront, assist the Business Improvement District (BID), increase its revenues and provide support for corporate development and marketing of the Blackpool Brand;
- create a centre of expertise in regional casino operation in Blackpool and give impetus to the further development of specialised education and training programmes in the already established Casino Training Academy;
- introduce much needed, high -quality hotel accommodation;
- increase operator/investor confidence in financing the improvement and development of existing and new tourist attractions and facilities;
- transform the employment and deprivation statistics described in #1.1 and #1.4.

4. Willingness to licence:

4.1 Supporting information to include Council resolutions...

The Council has recently stated its willingness to license at least one regional casino and have endorsed a draft Statement of Licensing Policy. However, the Council and its partners have been actively pursuing the development of casinos in the resort since early 2000:

- December 2000: the present Leader of the Council, council officers and stakeholders from the Blackpool Challenge Partnership[45] visited Las Vegas and Atlantic City and each organisation reported back the results of their visits in January 2001.
- 17 January 2002: The Commerce Service Development Committee received Terms of Reference for Scrutiny of Resort Casinos[46] to inform the Council's response; it then carried out a survey of opinion (March-April 2002). The results were submitted to the Executive on 1 May and to full Council on 8 May 2002; the Council agreed to support in principle the introduction of resort casinos as one element for the accelerated regeneration of Blackpool, subject to a range of controls and safeguards.
- During 2002 and 2003 the Blackpool Masterplan was developed and the Blackpool Borough Local Plan 2001-2016 was published and consulted upon. The Revised Deposit Draft Plan was submitted for approval by full Council on December 10 2003.
- 17 March 2003: Council unanimously approved the draft Masterplan as a basis for public consultation.
- 24 March 2004: Council received and approved the results of the Masterplan consultation together with proposals for the structures of the proposed Urban Regeneration Company, later ReBlackpool.
- 26 January 2005: The Executive considered a report on recent progress made in implementing Masterplan regeneration. The Executive agreed Council representation on URC Board; agreed establishment of an all-party Masterplan working group to interact with the URC Board and track implementation of Masterplan regeneration.
- 14 December 2005: The Masterplan Working Group received an update on the URC Board meeting of 2 December 2005 including a report on preparations for the CCQ.
- 22 March 2006: Council endorsed this bid with all-party support and only one abstention for submission to the Casino Advisory Panel. At the same meeting a draft Statement of Licensing Policy was agreed.

- 29 March 2006: The ReBlackpool Board unanimously reconfirmed its support for casino based regeneration by formally endorsing this submission.

4.2 Details of any local pre-existing polling...

Blackpool's polling, market research and consultation extends back to the start of its interest in casino-based regeneration and has embraced exercises connected with the proposals, both specifically and as part of the Masterplan and Local Plan consultation surveys. Polls consistently show three times as many people for as against, with very high levels of awareness of the proposals.

In February 2001 the Blackpool Challenge Partnership (BCP) commissioned SWR Worldwide to conduct a 'Let's Talk' campaign comprising four focus groups with Blackpool residents to seek input on the Resort Casinos proposals. This was followed up with a quantitative assessment of the views of local people through a representative survey[47]: 73% were aware of the proposals for resort hotel casinos and gambling; 71% supported them, 22% were opposed. In the focus groups local residents were united that the town desperately needs social and economic regeneration and that the current situation cannot continue. It was further felt that the CCQ could not simply be about gambling but needed also to offer a family atmosphere and a wide variety of exciting leisure experiences, including shows, children's entertainment and restaurants.

The Blackpool Local Plan 2001-2016 consultation included a pre-deposit consultation (November 2001-February 2002) entitled 'Your Town, Your Future' which highlighted key issues of regeneration, town centre, tourism, housing and industrial development. In January 2003 the First Draft Plan was published and consulted upon. Consultation on the New Horizons Resort Masterplan was carried out from March 2003. Over 320 organisations submitted over 1,200 representations to the Local Plan. Only 7 respondents submitted objections in principle to casino development at the first and revised deposit draft stages.

The Blackpool Omnibus Visitor survey of 2003 asked whether Blackpool's tourism offer would be improved through gaming activities. In a sample of 4000, almost three times as many people were in favour as against casino development[48]. In December 2005 the Council and the PCT 'Quality of Life' survey of the Citizens' Panel asked about the development of resort casino-hotels, modern conference facilities and other attractions: 76% either supported the proposals (29% strongly supported) or neither supported nor opposed; 20% either opposed or strongly opposed[49]. The 2006 IPSOS/MORI survey[50] shows, that of those expressing a view, three quarters of people were in favour of casino development.

4.3 Details of any local consultations

The local daily paper printed 100,000 24-page supplements on the Masterplan for circulation across the Fylde Coast. An estimated total of over 15,000 people have directly seen a presentation of the proposals. Every household and business in Blackpool has received at least one detailed explanation of the Masterplan proposals for casino development.

Likewise, every household and business was consulted on the Local Plan. Additionally, a series of consultations over the past five years has focused on local organisations and individuals who may be impacted by the proposals. In 2001 the Blackpool Challenge Partnership (BCP) held meetings with accommodation sector providers, the Town Centre Forum and Faith Groups. The Council's scrutiny process included 7 separate sessions with different sections of the local and business community. Discussions on the Masterplan and Casino have also taken place at local Area Forums. Between May and September 2003, all six Area Forums were consulted. Presentations covered an overview of the draft Masterplan, with a regional casino at its heart, and its potential impact. Particular reference was made to the casino in the Revoe Area Forum. The most recent Faith Forum discussion took place in December 2005. There have been discussions with local Unions and with trade organisations and operators. A recent discussion between ReBlackpool and Amusement Arcade operators[51] has resulted in ongoing quarterly dialogue. Within the neighbourhoods in close proximity to the CCQ we are using participatory rapid appraisal techniques to identify local impacts and ways of addressing potential negative impacts.

4.4 Resolutions of support by the Local Strategic Partnership

The Blackpool Challenge Partnership, which became the Local Strategic Partnership in 2003, actually led on the resort casino proposal from 2001, when it resolved that it would provide *'more significant and longer lasting economic regeneration…benefiting the whole community'*[52], until May 2002 when the Council resolved to take the lead (#4.1 above). The LSP has supported the proposal both in principle and financially, by agreeing that the Local Area Agreement should provide the necessary framework to ensure that the economic opportunities, created through Conference-Casino regeneration, would benefit core deprived neighbourhoods.

The present bid is the product of a multi-agency Casino Steering Group, established in September 2005 and comprising LSP partners, including regional (NWDA and GONW) and sub-regional agencies (Lancashire Economic Partnership) and local public and private sector interests[53] including the PCT, Police and City Hopper Airports. At its meeting of 10 March 2006 the Blackpool LSP Executive endorsed this bid for submission to the Casino Advisory Panel.

4.5 Relevant tourism or leisure strategies, or local plans...

Blackpool has uniquely developed its casino development policy as an integral and central part of a coordinated package of planning, regeneration, tourism and leisure strategies, supported and reflected in the strategic frameworks of our sub-regional and regional partners. Examples include:

- The Regeneration Framework[54]. This is Blackpool Council's overarching framework for the resort, setting out the context in which the development of the regional casino will catalyse and complement the wider regeneration of the town – physically, economically and socially;
- The Blackpool Local Plan 2001-2016 (#1.3 above) is a vitally important statutory document. It has been through public inquiry[55] and its proposals for casino based regeneration have received the support of the Inspector in his report of August 2005;
- The Community Plan (2005) and Local Area Agreement (2006) embed the regeneration strategy in the overarching, town-wide plan;
- The Heritage Strategy for Blackpool is currently in draft form and a Cultural Strategy is also in the process of development. Both support the casino-led regeneration of the resort;
- The Regional Tourism Strategy includes the casino-led renaissance of Blackpool as a Signature Project[56]; casino-led development also has the support of the Local Tourist Board;
- The Visitor Economy Strategy[57], currently in preparation, which takes a holistic view of factors which contribute to the town's visitor economy;
- The Central Lancashire City Region Development Programme (CRDP)[58], see #6.1.

4.6 Details, including contact details, and...

Much of our engagement over the last six years has been detailed in #4.2 and #4.3 above, particularly through consultation on the Masterplan, Local Plan, BCP 'Let's Talk' campaign and the Scrutiny Committee inquiry. This has included engagement with both supporters and objectors to the proposals. Details of individual correspondence and responses are voluminous but can be supplied if that will assist.

As one example, consultation on the casino-led regeneration in the draft Masterplan commenced in March 2003 and ran for 12 months, during which:

- over 500 people rang a dedicated helpline number;
- 100,000 20-page documents were delivered throughout the town;
- over 100 e-mails and comments were posted to a dedicated e-mail and web site address;
- 7 exhibitions were held in shopping centres, supermarkets, public buildings and the airport;
- 40 stakeholder presentations were made to over 2000 people;
- 3000 people attended an open day in the Winter Gardens;
- support for the proposals ran at over 95%;
- there were few, if any, negative comments.

5. Probability of implementation:

5.1 A market demand analysis relating to both resident...

Market analyses and casino capacity studies[59], carried out at regional and local levels during 2005 and 2006 by PION Economics, provide an objective assessment of potential resident and visitor support for casino development in Blackpool. Blackpool's potential for casino development is reinforced by interest from national and international operators, their enthusiasm for Blackpool's comprehensive plans for regeneration, and their desire to become directly involved in a large-scale, mixed-use development that will maximise the role of the CCQ. Casino operators are attracted by the "Blackpool brand" and by Blackpool's established links with the UK and Ireland as a holiday destination and the NW/Yorks-Humber regions as a day trip and entertainment destination. 10.7m adults live within a 2-hour drive time, 16m within a 3-hour drive time. (The Pleasure Beach, the major existing destination attraction, attracts 6.5m visits annually; 44% of day visitors come from the 2-3 hour drive time area). Operators are also attracted by Blackpool's commitment to an eventual casino cluster.

Blackpool has prepared longer and more thoroughly for its CCQ development than any other location in Britain, and is certain of its physical and financial feasibility. Specifically in:

- September 2003: published Masterplan proposals, demonstrating that the CCQ can be redeveloped to provide a mixed-use development, incorporating 2 resort-style casinos, a conference centre, and mixed-use leisure and retail development incorporating some existing entertainment uses;
- March 2004: began discussions with private interests on the CCQ site on co-promotion agreements, and relocation proposals;
- February 2005: received 22 registrations of interest from casino operators, developers and combined

operator/developers, some in fully developed scheme form, demonstrating their serious interest in Blackpool and confirming the potential of the CCQ. The URC has maintained formal contact with these parties and assembled a detailed knowledge of their operating philosophies and business models, broad investment intentions, proposals for destination casino development in Blackpool and thoughts on wider involvement in the resort regeneration process;

- December 2005: obtained NWDA funding for land and property acquisition and expansion of public ownership in the CCQ site during 2006/07/08. Public ownership of the CCQ now stands at 58%;
- December 2005 and March 2006: commissioned specialist advisors to review the Masterplan proposals for the CCQ, prepare revised proposals, and assemble a planning application with supporting impact assessments for phased, comprehensive development;
- March 2006: agreed to co-promote comprehensive development of the site with majority existing private land holder and establish a partnership that will control approximately 65% of the site;
- August 2006: URC will seek planning permission for layout and means of access for a comprehensive development of the CCQ site (see #5.2 below). This will formally establish that the first Phase of development, which will include the regional casino, could take place on land currently in public ownership;
- September 2006: URC will complete a competitive selection process for a developer partner for the phased development of the CCQ site;
- October 2006: URC will finalise co-promotion agreement, review its phasing plan and prepare to release an extended Phase 1 to the market;
- August 2007: URC will conclude the casino operator competition, finalise the overall development proposal, agree the first phase of development and begin the development mobilisation process;
- February 2008: URC will release an unencumbered Phase 1 development site to the development partner.

5.2 Information on the criteria you would be using...

Key criteria are access by public transport, good regional access by train, coach and car, good long-distance access by air, proximity to compatible leisure facilities, proximity to areas needing regeneration and a site of sufficient size, which is ripe for redevelopment. Given these, the 23-acre (9-hectare) CCQ brownfield site - already identified for casino development in the Blackpool Masterplan and designated for that purpose in the Blackpool Local Plan, 2001-2016 – effectively chooses itself. It is located in the heart of the resort core, on the Golden Mile, adjacent to the town centre, the Tower, and dense concentrations of holiday accommodation. It is bounded on the sea side by Blackpool's sea front tramway and on the rear by main cross-town, bus services and is within walking distance of Blackpool's rail, bus and coach stations. It has a direct high-level connection to the M55 and national motorway network, via the Central Gateway which is currently being upgraded. The site largely consists of a temporary car park.

The Masterplan proposals were assessed by the English Heritage Urban Panel/CABE. The Panel's report[60] states: 'It is refreshing for the Panel to be presented with a Masterplan which addresses transport issues so comprehensively'.

The Local Plan policies, which include casino proposals, have been subjected to an independent sustainability appraisal and public scrutiny through a prescribed statutory process, including a public local inquiry. The Inspector reported in favour of the Plan and the casino proposals in August 2005 (#4.5 above). The Local Plan and associated Supplementary Planning Document requires planning applications for the CCQ to be supported by detailed economic, social, transport and environmental impact assessments. The URC is responsible for delivering the CCQ development and is preparing to submit an application for comprehensive development of the entire site in August 2006. This will seek planning permission for layout and means of access. Specialist planning, transport and environmental consultants are working with the URC's architects and commercial advisors to assemble the planning application and supporting impact assessments for this submission.

5.3 Details of the current provision for gambling...

Current provision is summarised in the Table 1, below.

Stanley, Rank, Ladbrokes and a number of independent businesses operate the current gambling outlets in Blackpool. Relaxation of the membership restriction and other limits on casino operations has encouraged UK operators to expand their estates under the continuing provisions of the 1968 Gambling Act and there has been an increase in licence applications. In Blackpool this has resulted in one additional licence, awarded to London Clubs International, which has yet to be implemented. The introduction of fixed odds betting terminals into betting shops has introduced new competition into the local gambling market and redistributed spending at the expense of some arcades.

5.4 The impact of competition on existing casinos...

We have approached this question through intensive review of existing research; commissioning our own impact study

Table 1: Current provision for gambling and gaming in Blackpool

Establishment	no.	tables	adult machines	family machines
Casino Licences implemented	3	35	24	
Casino Licences unimplemented	1			
Casino Licences pending	1			
Bingo	4		117	
Sea front amusement arcades	15		935	2562
Other amusement arcades	14		88	256
Betting Shops	41		164	
Clubs	56		56	
Bars/Nightclubs/Pubs	214		710	
Residential Hotels	765			764
Other	18		35	23
TOTALS:	1132	35	2129	3605

Source: Blackpool Council, Organisational Change Unit. (Some figures relating to machines are estimated).

from PION Economics; and extensive consultation with local operators.

We have closely studied the wide body of independent research on the impact of casino development in the mature casino jurisdictions in Canada and the USA, which concludes that:

- casinos grow spending on gambling, in many situations by displacing and redistributing existing local spend;
- the local impact, on existing gambling and non-gambling leisure businesses, varies widely and can be negative;
- impact is greatest where the casino is focused on the “local” market and a 30-minutes drive time.

Blackpool’s strategy is based on the fact that its self-contained, regionally-accessible location will allow it to minimise these negative impacts. The CCQ is designed as a destination experience, generating day visits, overnight visits and combined leisure visits, that will inject new spending into Blackpool, the region and the country and act as a catalyst for wider private investment.

PION Economics have developed an impact model that distinguishes between local, regional and national casino customers, thus giving a clear measure of the potential for substitution and the redistribution of local spending. This suggests that 7% of customers will be generated locally, 33% within the region and 60% from outside the region. In respect of each of these origins the model also distinguishes between existing casino gamblers, existing gamblers and new gamblers. It assumes that non-gambling visits to the casino will account for 20% of all visits and suggests that the proportion of visits made by new visitors could lie within the range 55% to 70% of all visits.

Blackpool’s traditional resort product has a large gambling element and there is also a range of local gambling premises serving the resident population. Existing casinos address a year-round local market and will develop their boutique service role through changes brought by the 2005 Act. Existing seaside arcade operators believe that casino-led regeneration will have positive overall implications: the potential for substitution is thought to be limited, while trade should benefit from growth in visitors and a more year-round spread. This view is not shared by arcade operators with town centre and edge of centre premises, which are used regularly by local residents. Blackpool accepts that successful regeneration will generate competition and give rise to local restructuring. The URC will work will local stakeholders and inward investors to ensure that opportunities to introduce new businesses and upgrade existing businesses are fully exploited.

5.5 Potential critical mass effect of a cluster of casino...

The Masterplan and Local Plan proposals for the CCQ propose a cluster of symbiotic uses that will generate combined leisure trips, create wide market appeal, maximise visits, and develop strong all-year round business. There will be concurrent proposals for a ’People’s Playground’ along a reconstructed seafront, modernisation of the tramway, redevelopment of the town centre, and refreshment of existing major attractions.

The PION model has attempted to examine the cluster effect in terms of growth in GVA. This is restricted to the GVA growth arising directly from a mixed leisure development on the CCQ site. It does not model the catalytic effect of wider investment and associated business growth. It demonstrates that direct impact will range from 4.6% uplift (on 2003 GVA) with a single regional casino in the CCQ and a base of 2.5 million visitors, to 5.8% for one regional casino plus two large casinos and a visitor base of 3.5m.

The Masterplan also provides for subsequent, resort-style casino development as cores of mixed-use developments on other seafront sites within the resort core, both adjacent to the CCQ and in other locations. The PION study shows that direct GVA growth from casino development will rise to 23% with a cluster of four regional casinos, as proposed in the long term proposals of the Masterplan.

5.6 Estimated overall investment potential...

The URC's approved 3-year investment plan, 2006/7-2008/9, anticipates capital investment of £359.3m in the CCQ site: private investment will total £338 million, public investment £21.3m. The public investment figure reflects the land value element and URC capital investment in land and property acquisition, development planning, site preparation, and advance investment in strategic access improvements. This investment figure includes all costs associated with a 2m-sq ft (186,000 m^2) mixed use development, including property/business acquisitions and relocations.

The CCQ will be developed in phases. Initially, it will centre on publicly-owned land and accommodate the regional casino, strategic access roads, parking, hotel, leisure and retail uses. A second phase will follow immediately, embrace land and buildings in private ownership, and provide additional hotel, leisure and retail uses and the conference/exhibition/entertainment complex. This phased approach is dictated by the need to secure early completion of the regional casino and plan an orderly relocation of some existing uses to already identified, external sites.

The market testing exercise and subsequent discussions with potential operator and developer partners have established that operators have secured the necessary private funding. This has also confirmed that the mix of leisure and retail development proposed in the Masterplan and Local Plan will create the values necessary to support capital investment in the CCQ site towards the upper end of the range £250m-£450m.

5.7 Current level of investor interest

The market testing exercise, carried out in December 2004, attracted 22 formal registrations of interest from casino operators, developers and operator/developers. Blackpool has complied with the requirements of the Ministerial statement issued on December 16, 2005 and has deliberately not selected a preferred casino operator. It has maintained regular dialogue with interested parties and has obtained letters reconfirming their interest. UK-based operators (Stanley Genting, Hilton/Ladbrokes, Rank, London Clubs International, Aspers), US operators (Las Vegas Sands, Isle of Capri, Harrahs, Resorts International and Mohecan Sun) and South African operator (Sun International) have lodged formal interest.

5.8 How would you anticipate gambling spend...

Increased access to gambling opportunities, particularly casino gambling, will increase local prevalence and spending on gambling through redistribution of spending from other gambling and non-gambling activities plus real increases in consumer spending. Our economic impact model suggests that the local market will generate around 180,000 casino visits/year and a local prevalence figure of 14%-18% of the adult population who will account for some 7% of customers to the regional casino complex. The model assumes that 10% of these local customers will be existing casino gamblers; 54% existing gamblers; and 36% new gamblers.

6. Regional Context
6.1 The information supporting your response...

Blackpool's casino-led regeneration strategy has unanimous backing and forms a key element in regional, sub-regional and local strategies including the draft Regional Spatial Strategy (RSS), Regional Economic Strategy (RES), Central Lancashire City Region Development Programme (CRDP - Northern Way) and Local Plan/Local Development Framework (LDF).

Regional: The Regional Economic Strategy 2006-2009[61], approved by the Northwest Regional Development Agency (NWDA) and submitted for Ministerial approval, identifies Blackpool as a key regional asset in urgent need of regeneration, which ought to capitalise on its established 'signature' status. In consequence, the RES includes implementation of the casino-led Blackpool Masterplan as one of its key Transformational Actions.

The draft Regional Spatial Strategy[62], submitted to Government in January 2006, identifies Blackpool as the regional priority for casino-led regeneration and provides for the development of regional casinos in Blackpool, Manchester and Liverpool, with the preferred location for a single regional casino pilot being Blackpool. Policy W8 states:

"*Plans and strategies should reflect Blackpool's position as the priority location for regional casino development in the North West and should not promote other regional casino proposals or schemes in other parts of the North West, pending the implementation of a regional casino in Blackpool. They should also provide for the development of a casino cluster in Blackpool's resort core.*"

Research conducted for the RES and RSS identified Blackpool as the priority location for a regional casino in the Northwest[63]. It was on this basis that both the RES and the RSS have incorporated Blackpool as the preferred location for a regional casino in the Northwest.

Sub-Regional: Central Lancashire is one of eight City Regions identified as key agents in the Northern Way, which is the ODPM's flagship economic regeneration initiative for the North, designed to reduce the £30bn output gap with the rest of England. It includes Blackpool as one of three key economic engines. Delivery of Blackpool's CCQ-led Masterplan is one of only two priorities of Northern significance in its Development Programme[64]. This status has won approval from the Northern Way Secretariat and the NWDA. The RES will be delivered in Lancashire by the Lancashire Economic Partnership (LEP), backed by all 14 local authorities in the sub-region, plus leading representatives from the Private and Voluntary Sector. Blackpool's Masterplan is already included as one of the partnership's six headline priorities for the sub-region.

Local: The Blackpool Local Plan 2001-2016 is scheduled for formal adoption in June 2006. Policies RR6 and RR7.1 define the CCQ site, identify a range of appropriate uses including the CCQ and require that proposals make a strong positive contribution to the physical and economic regeneration of the resort, are well integrated with adjoining buildings, uses and circulation patterns and are supported by assessments of the economic, environmental, transport and social impact of the development. The Planning Brief and accompanying Sustainability Appraisal, guiding development on CCQ site, will be adopted in July 2006.

6.2 To what extent would identification of your area...

Relevant detail is found above at #6.1. The PION Economics study of casino market demand in the North West, commissioned by the NWDA and steered by NWRA and GONW[65], was completed in June 2005 and considered by the NWDA Board in July 2005. Based on the study recommendations, the Board resolved[73] that the Agency support Blackpool as the North West's preferred candidate location for the regional casino pilot. The Agency has subsequently worked with the NWRA to secure a supportive strategic policy context within the interim draft Regional Spatial Strategy for the North West, and this was agreed at the NWRA meeting of 13 January 2006. RSS has been cleared by Government Office for the North West for formal, public consultation.

7. Community benefits:...

Significant public ownership on and around the casino development will allow further opportunities to maximise regeneration benefits. In addition, by deliberately refraining from choosing a developer or operator partner until it has secured the license, Blackpool will obtain the maximum public benefit from the development through:

- the legal development agreement associated with disposal of this public land holding;
- the Local Plan Policies and Special Planning Document, which will guide the scale, make-up and form of development;
- the premises licensing process, which should provide an extraordinary opportunity to maximise regeneration benefit for social purposes within what will be a monopolistic seller's market.

Blackpool will use the resources flowing from this proposal to develop specific initiatives, negotiated with the successful operator as part of the competitive scheme appraisal and operator selection process, to target assistance towards vulnerable local neighbourhoods and populations. The competition and development processes will require potential operators to provide support for:

- the delivery of a new, high-quality conference and exhibition venue to counteract seasonality by recapturing conference trade;
- the Blackpool Bursary to help provide basic training and job related training targeted on the long term unemployed and the rising generation living in the most deprived neighbourhoods;
- a community fund to embed opportunities and improvements in the adjacent inner areas;
- gambling harm reduction and treatment services and other initiatives to reduce and ameliorate social impact;
- a Business Improvement District to help to improve the immediate local environment.

8. Unique characteristics:...

As stated at the outset, we believe that Blackpool's case is compelling.

- Only in Blackpool is the casino the central focus and catalyst for the regeneration of an entire town, generating disproportionately large benefits because of the synergy with other Masterplan projects;
- Blackpool is the right and logical place for a regional casino. It excels in mass tourism and mass entertainment, and resort casinos fit superbly into this mix as evidenced by resort casino destinations around the world;
- Blackpool uniquely needs a casino as the basis for regeneration vital to arrest the resort's decline and to address its problems: lack of investment over a long period; declining numbers of visits, overnight visits and visitor spend; sharp and intensifying seasonal

dependence; narrowing market appeal; and intense deprivation. Without the casino, the prospects for Blackpool's resort economy are bleak;

- With the casino Blackpool has the opportunity to build a 'world-class resort destination' that would be unique and exciting in the UK and could compete with the best destinations in the world;
- Blackpool is the right location for providing the best possible test of social impact. It is a seaside town and destination resort but has urban characteristics and social problems commonly associated with inner cities. It has developed a unique range of intervention mechanisms to test, resolve and monitor social impacts, supported by excellent local academic institutions. It has unique expertise, in association with police and social services, in dealing with an hedonistic culture. We are far advanced in developing a specific set of plans and services to protect both our own vulnerable residents, and vulnerable visitors, from the dangers of "problem gambling";
- Blackpool uniquely needs and would benefit enormously from the regeneration benefits the casino would bring: an estimated 2500 to 3400 jobs and between 3.8% and 5.8% of the total GVA together with between £200m to £450m of capital investment and between 4.2m and 5.5m visits per annum. The associated social and environmental benefits will mean dramatic improvement to the quality of life in many of the town's deprived communities;
- The presence of the new Regional Gaming Academy and Casino Training Alliance constitutes a unique national centre of excellence for education and training for gaming;
- Blackpool has huge and unparalleled public and organisational support, built over six years of consultation, discussion and debate around these proposals. Awareness of and willingness for the transformation is almost unanimous;
- Blackpool will deliver the proposal through ReBlackpool, the town's ODPM recognised Urban Regeneration Company: the only URC in the country specifically charged with delivering a casino-based Masterplan;
- Blackpool has followed the Gambling Commission's Guidance to Licensing Authorities: it has deliberately avoided linkage to a casino operator. A preferred operator competitive process will be launched immediately following approval to license, so that Blackpool derives maximum economic and social benefit for the town;
- The Northwest Development Agency and North West Regional Assembly and the strategic economic and planning delivery strategies for the region all unambiguously support development of a regional casino in Blackpool. The sub-regional organisations and strategies also support Blackpool. The local strategic plans have been built around casino-led regeneration and have been subject to statutory scrutiny and public consultation;
- Blackpool will spread the regeneration benefit to its own deprived communities and has, uniquely development its LAA contract with Government to ensure that its intentions are realised. The Masterplan delivers not only a plan for the town's physical and economic regeneration through casino gambling, but also a fully-developed plan of community and social regeneration for spending the proceeds to benefit the town's citizens, particularly its most deprived people and young people who can fill the new jobs in gambling and in the whole complex of tourist activities that will be generated around gambling;
- Blackpool is an ideal location to test the impact of casino development. With a typically urban population exhibiting high levels of deprivation and disadvantage, it will serve as a microcosm of urban problems more generally. Because of its relative isolation, any adverse impact will be easily measured. Yet, since some 93% of casino users are expected to be destination gamblers from outside, total impact will be minimised. Higher-income visitors, who can afford to gamble, will generate an income stream to benefit local deprived residents, who cannot.

We look forward to the opportunity of expanding on this submission with the Panel.

Endnotes

1 Though this bid comes from Blackpool Council, it comes out of a long cooperative process including many partners: the NWDA, GONW, Lancashire Economic Partnership, ReBlackpool (Blackpool URC), the Blackpool Local Strategic Partnership, Lancashire Constabulary, Blackpool Primary Care Trust and others.

2 Office for National Statistics, mid-year estimate 2004.

3 Pupil mobility (joiners and leavers) in Blackpool is amongst the highest in England, normally exceeding the Inner London average: for secondary schools, 9.8% (2004/5), peaking at 22% (average 7 per class); for primary schools, 13.8% (2004/5), peaking at 35% (average 11 per class). This partly results from the seasonal nature of employment, but largely from the availability of low-cost privately-rented accommodation. Blackpool Council Children's Services, pers.comm.

4 New Vision for Northwest Coastal Resorts. Locum Destination Consulting for NWDA, March 2003.

5 ReBlackpool (2005) Investment Plan for Sustainable Resort Regeneration 2005/06 – 2008/09: Blackpool towards a world class resort. ReBlackpool. Revised draft December 2005.

6 New Horizons Blackpool Resort Masterplan. Blackpool Council, 2003.

7 A Sea Change in Blackpool – Successful Bid for Economic Development Zone status and European Objective 2 funding October 2001.

8 New Horizons Blackpool Resort Masterplan, op.cit.

9 Blackpool Local Plan 2001-2016 Revised Deposit Draft February 2004. Blackpool Council, 2004.

10 Corporate Performance Plan 2005-07. Blackpool Council, 2005.

11 Draft Heritage Strategy 2006. Blackpool Council, 2006.

12 Draft Cultural Strategy - The Cultural Coast. Blackpool Council, 2006.

13 Draft Casino Licensing Policy Statement. Blackpool Council, 2006.

14 Annual Survey of Hours and Earnings ONS, 2005.

15 Regional Accounts. ONS, December 2005.

16 Indices of Deprivation 2004, Office of the Deputy Prime Minister.

17 Office for National Statistics via the National On-line Manpower Information System (NOMIS).

18 Job Centre plus, unpublished statistics, August 2005.

19 Blackpool Council Children's Services, 2005.

20 At today's baseline this would mean 1,340 jobs.

21 Integrated Impact appraisal of the Blackpool Masterplan. Blackpool Council, 2005.

22 Hyder Environmental Consultants: Sustainability Appraisal report on Conference/Casino Quarter Local Development document (in progress).

23 Social Impact Assessment of a regional casino in Blackpool: specification. Blackpool Council, 2006.

24 Final Submitted Draft RSS – Emerging Findings from the Sustainability Appraisal Entec Ltd, 9 January 2006.

25 Problem Gambling Harm Reduction Strategy– provision of services and programmes in Blackpool. Blackpool PCT in production in progress.

26 The UK Gambling Review Report presented to Parliament by the DCMS, July 2001 highlighted job loss, absenteeism, depression and anxiety, suicide, poor health, debts, bankruptcy, theft, relationship breakdown and domestic violence amongst others.

27 Blackpool Casino Submission Economic Impact Assessment, final report. PION Economics, 2006. For the panel's information this is the third of three studies referred to in this submission. The others are in date order; a. June 2005, skills studies for Lancashire West Partnership; b. July 2005, a casinos in England's North West for NWDA, NWRA, GONW.

28 Summary and assessment of international research regarding problem gambling intended for use by policy-makers considering authorising new forms of gambling in their jurisdiction P. Collins. Centre for the Study of Gambling, University of Salford, 2005.

29 Gambling and problem gambling in Oregon. Gambling Addiction Treatment Foundation, RA Volberg, Salem, Oregon 1997.

30 Fifteen years of problem gambling prevalence research: What do we know? Where do we go? R A Volberg, Issue 10 eGambling, 2004.

31 Blackpool Residents' Survey, IPSOS/MORI, for Blackpool Council, 2006.

32 Draft Casino Licensing Policy Statement. op.cit.

33 We have expressed interest to RIGT in piloting the RIGT/TACADE gambling awareness materials in Blackpool schools.

34 Problem Gambling Harm Reduction Strategy. op.cit.

35 Prof. Corinne May-Chahal, Dept Applied Social Science. pers. comm.

36 A Review of Research on Aspects of Problem Gambling: Summary, conclusions and recommendations. Abbot M, Volberg R, Bellringer M, Reith G. Responsibility in Gambling Trust, 2004.

37 Whilst our IPSOS/MORI survey sample is not large enough to give a statistically robust gambling prevalence we are using the results we have from the DSM IV self assessment part of the survey combined with the results of the 2006 National Gambling Prevalence survey conducted by the Gambling Commission to develop an accurate gambling prevalence figure for Blackpool.

38 Blackpool Town Centre; Business Improvement District Business Plan. Blackpool Town Centre Forum, 2005.

39 Alcohol Harm Reduction Strategy. Blackpool Community Safety and Drugs Partnership, 2005.

40 Community Safety and Drugs Strategy, 2005-08. Community Safety Partnership, 2005.

41 Blackpool's Local Area Agreement. Submission Document, Blackpool Council, March 2006.

42 Resort Casino Skills Impact Study, PION Economics for Lancashire West Partnership, June 2005.

43 Steve Cook, Head of Blackpool YOT. pers.comm.

44 Blackpool Casino Submission Economic Impact Assessment. op.cit.

45 The Blackpool Challenge Partnership (BCP) was established in 1996 to bid for and deliver schemes under the Governments SRB programme. It involved 50 organisations including the Council, main employers, businesses, Police and the local media.

46 'To conduct a survey of public opinion, including trade and other organisations, with a view to assisting the Council to formulate its response to the Budd Report on the future of Casino Gambling in the UK' in Minutes of the Commerce Service Development Committee. Blackpool Council, 17 January 2002.

47 Blackpool Rejuvenated: Proposals to bring prosperity to Blackpool through Resort Casinos. Blackpool Challenge Partnership, 2001.

48 Blackpool Visitor Survey, 2003. IPSOS/MORI for Blackpool Council/Blackpool Challenge Partnership, 2004.

49 Blackpool Quality of Life Survey 2005. BMG Research for Blackpool Council and Blackpool PCT.

[50] Blackpool's Residents Survey. op.cit.

[51] Notes of the ReBlackpool Masterplan and Amusement Arcades meeting held on 20th February 2006.

[52] Blackpool Rejuvenated: Proposals to bring prosperity to Blackpool through Resort Casinos. The Blackpool Challenge Partnership, 2001.

[53] Casino Steering Group working files and minutes of meetings.

[54] Blackpool Regeneration Framework: Towards a World Class Resort. Blackpool Council, 2005.

[55] Public Local Inquiry into the Blackpool Local Plan Topic paper: Casino and Gambling Deregulation Topic Paper. October 2004.

[56] The Strategy for Tourism in England's Northwest. NWDA , June 2003.

[57] Visitor Economy Strategy. Blackpool Council, in progress.

[58] Central Lancashire City Region Development Programme, Lancashire Economic Partnership, May 2005.

[59] Casinos in England's North West: An Assessment of Market Demand. PION Economics, 2005.

[60] English Heritage Urban Panel: Review of the Panel's visit to Blackpool with representatives of CABE on 27/28 January 2003.

[61] Northwest Regional Economic Strategy 2006-2009. Ministerial Submission December 2005. Northwest Development Agency.

[62] Draft Regional Spatial Strategy for the North West. NWRA, 2006.

[63] Resort Casino Impact Study for Northwest. PION Economics for NWDA, 2005.

[64] Central Lancashire City Region Development Programme, Lancashire Economic Partnership, May 2005.

[65] Casinos in England's North West: An Assessment of Market Demand. op.cit.

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