

# Showdown for councils hoping to land 'supercasino' jackpot

In 10 days' time one council will hit the multi-million pound jackpot and be given the right to run a 'supercasino'. The winner will be allowed to open a gambling arena the size of at least a football pitch, with 1,250 slot machines paying out unlimited jackpots.

The liberalisation of gambling in Britain has some extremely vociferous critics but they do not include the seven shortlisted councils – Blackpool, Cardiff, Glasgow, Greenwich, Manchester, Newcastle and Sheffield – all of which see the casino as an opportunity to transform their town for the better.

Harry Wallop speaks to the two front runners – Blackpool and Greenwich, home to the O2 , formerly the Dome – about why they are so keen to win

## **Blackpool**

Steve Weaver is a nervous man. „I haven't slept at night for the past few weeks,“ he says.

The chief executive of Blackpool council believes he has one last roll of the dice to return the seaside town to its glory days. If it was down to his enthusiasm he'd land a double six. Unfortunately, it is the little known Casino Advisory Panel that controls his fate.

The town has fallen on hard times. Package holidays allowed many of its regular visitors to travel overseas and swap fish and chips for the delights of paella and sangria.

Low-cost airlines exacerbated the trend and now only 10m tourists visit the seaside town every year, down from 18m just

a couple of decades ago. Its guesthouses are on average just over a quarter full and many complain the town is little more than a venue for drunken stag parties.

The liberalisation of gambling is the latest major development in the leisure industry and Mr Weaver is determined not to miss out this time: „For others this is the cherry on top of the cake. For us this is the cake. If you go to other places such as Newcastle, Sheffield, Cardiff, Glasgow, Manchester or London they have a whole range of options to create prosperity. This is key for us.“

The council has kick-started a GBP 2.5bn, 15-year investment to transform the town. However, much of that investment, GBP 2bn of which is coming from the private sector, will not arrive without a super casino.

The master plan includes new conference facilities, a remodelled and expanded beach, a modernised tram system and a huge new shopping centre.

The iconic tower will be given a complete make-over and Blackpool is lobbying to be added to the elite list of 27 World Heritage Sites in the UK. It argues it is one of the cradles of the tourism industry – a town where Victorian workers could enjoy „leisure“ for the first time.

The casino itself will be on the seafront, built on land mostly owned by the local entrepreneur Trevor Hemmings. The council has received 22 expressions of interest from companies that want to operate the casino and promises to hold a competitive bidding process if it wins the licence. Many believe that Ladbrokes, however, is in pole position. It has been working for months on attracting joint partners, which include everyone from Hilton hotels to Legoland.

„We will chose the best operator for Blackpool, but if that happens to be a British operator that’s fantastic,“ Mr Weaver says.

If it all goes well „over a 15-year period the number of tourists will double to 20m. It should triple the contribution to the economy.“ Blackpool airport, already a successful local airport, will become a major gateway to the north of England.

Mr Weaver says the influx of tourists and investment should allow Blackpool to shake off its reputation as a rundown town. It has a very high suicide rate, and the highest number of alcohol-related deaths in the UK.

Is gambling really the answer to these problems? „This is about hugely more than gambling. It is about creating an all-year round resort with economic prosperity. That is what will make a difference to these issues, which are driven by deprivation.“

He is confident that Blackpool is the people’s choice and that it has the most support from MPs and peers, but he admits that „we are a small player pitching against some pretty big players“.

So how will he feel if he doesn’t win? „It will be incredibly disappointing and a real setback. But in the end it will just firm up our resolve that we gain this the second time around.“

## **Greenwich**

I am standing high up a gantry, in the roof of the Dome, or the O2 as we must now call it, looking down on one of Europe’s biggest building sites. Hundreds of cranes and diggers and more than 1,000 workmen are building a giant entertainment and retail complex.

The sound of welders and electric saws is deafening.

So what happens if you don’t get a licence for the casino, what’s plan B?

„There is no plan B,“ shouts David Campbell, who is in charge of the site. He is chief executive of AEG in Europe, the

American corporation founded by Philip Anschutz, which is pumping GBP 350m into the site.

By the first week of July the 23,000-seat arena will be open (the fridges are already installed in the corporate boxes), hosting Justin Timberlake. The 11-screen Vue cinema will be selling popcorn, and the shopping „street“ – the same length as Bond Street – will be buzzing with boutiques and restaurants. The theme is „aspirational but accessible“ and to that end fast food outlets have been banned.

Only one corner of the complex houses the casino, a 150,000 sq ft plot, up on the second level, where builders are conspicuous by their absence.

What happens to the rest of this „city built under canvas“ as Mr Campbell calls it, if the plot remains empty?

Two hotels that have been signed up will pull out, AEG will hold back a further GBP 350m investment and there will be no theatre or cross-Thames cable car.

Mr Campbell says: „We create a great venue and somewhere that people enjoy but it isn't a destination resort.“

Locals will visit, but not tourists from abroad, staying the weekend, AEG argues.

With the supercasino, the O2 becomes a „true world class development that stimulates a lot of commercial building and housing and we create a venue that really works for the Olympics“. Its arena plans to host the basketball and gymnastics for London 2012.

AEG will still make a return on its investment, Mr Campbell says, but it will take a lot longer.

Incidentally, British taxpayers also miss out – the ultimate landlord of the site is the Government and the rent that AEG pays is partly related to how much revenue it generates.

Mr Campbell says he is „pretty confident“ about the decision on Jan 30.

AEG has close links to the Government and, specifically, John Prescott, who has stayed at Mr Anschutz's ranch.

Mr Campbell points out that it was crucial that AEG had meetings with Lord Falconer, the minister in charge of the O2. „We would never bought the lease on this without meeting who was selling it to us,“ he says.

He is confident that the five-man Casino Advisory Panel (CAP) will not be swayed by more excitable sections of Fleet Street.

„They will award it on its merits,“ he says. „I think Greenwich has got a very strong case. I always did.“

Its existing transport link and plans to boost the river taxi service should be a key factor in its favour, according to AEG.

There has been some talk that the American company will take the decision to the High Court if Greenwich doesn't win. „We'll have to see if there is a case for an appeal,“ Mr Campbell says.

The CAP last year issued an interim report that placed Greenwich in the lead. Mr Campbell says he would examine closely any criteria where Greenwich had dropped points since last year.

If the O2 doesn't get it, „I think it would be an amazing missed opportunity for London“, he says. „The east of London has been ignored for many, many years. This is a chance to put the east of London on the map and allow it to compete with the West End.“