

Super-casino set for bidding war

A bidding war to win lucrative contracts to run Britain's first super-casino could start as soon as July, after the government yesterday began consultation on a code that will govern how licences for 17 new-style casinos are awarded.

Manchester, the surprise choice of the government's advisory panel to host the super-casino, would be required by the code to hold an open competition, despite having designated Kerzner International as its preferred operator.

All 17 local authorities awarding the new licences must ensure any existing arrangements do not „affect the competition in such a way as to make it substantively unfair“, says the Department of Culture, Media and Sport consultation.

The 17 licence competitions are expected to trigger a bidding scramble among international gaming companies. Potential rivals for the Manchester operating licence include Ladbrokes, Harrah's Entertainment and Las Vegas Sands.

Ministers intended to finalise the code, after consultation until early May, in time for local authorities to start the bidding competitions in July, said officials.

But this timetable could be derailed by a Commons vote, expected next month, on the choice of casino sites. Tessa Jowell, the culture secretary, is expected to recommend that MPs endorse the choice of Manchester.

However, the government could lose the vote as a political backlash against locating the super-casino in Manchester is gathering momentum. A parliamentary motion backing Blackpool has been signed by 74 MPs, including 58 Labour backbenchers. The Tories are expected to allow their MPs a free vote,

potentially making it difficult for ministers to garner enough support for the super-casino venue.

Local authorities would be required by the proposed code to consult local people before issuing invitations to apply for the casino operating licence. All applications will be vetted to ensure bidders comply with regulatory requirements.