

# British casino policy remains unresolved

It seems the time is not right for the government's plan to launch 16 casinos, as uncertainly over its gambling policy reigns and cash-strapped casinos have other things on their mind. The question of casino policy remains unresolved.

Gordon Brown, who axed proposals for a Las Vegas style super-casino shortly after becoming Prime Minister, is poised to unveil plans for 16 smaller "Gambling Palaces". The locations have been recommended – though not formally approved – but the terms of the bidding process for the licenses remain a mystery several years after Tony Blair first set the train in motion.

The arrival last week of a new Culture Secretary, Andy Burnham, could slow the process once again, though the industry is still expecting a fanfare announcement in early February. Sadly for Brown, many of the leading lights appear to be slowly backing away from the table.

Ladbrokes, the biggest UK bookie, last week ruled itself out of the running for any of the proposed new casinos. "We have decided we won't bid," said a spokesman. Ladbrokes crunched some numbers and decided it couldn't be sure it was worth the trouble.

The Government was hoping that the sale of the licenses would be a windfall for public coffers, but, perhaps tellingly, has never put a figure on how much it thinks it might raise. A spokesman for one of the expected bidders said: "The majority of operators would be glad to see the back of the whole idea."

Morgan Stanley puts the cost of winning a license and building a casino at USD 39.7 million – a hefty investment. One problem for Brown is that of the locations earmarked for the casinos, some are clearly more attractive than others. In the less-

salubrious areas, big operators such as Rank may take the view that the venue they have nearby is already struggling, so why try to open a new one?

Given the number of papers, consultations and seemingly endless back and forth between Ministers, parliament and operators, Liberal Democrat shadow culture secretary Don Foster asks how much has this complete farce cost the British taxpayer.

A further issue remains the threat of legal action from Manchester, which won the license for the original super-casino and then was promptly disenfranchised. Under the revised scheme, the three contenders for the super-casino, Manchester, Blackpool and Greenwich, have ended up with nothing at all. Instead, the likes of Stranrear have got the smaller licenses.