

UK govt clears latest 29 casino applications

London (Reuters) – About half of the casino owners who rushed in applications for additional venues ahead of new regulation in April 2006 have already cleared the first hurdle, Britain's Gambling Commission said on Thursday.

The Commission – the first hurdle the casino hopefuls must pass – told Reuters it had so far dealt with 29 applications for new venues and approved all 29 of them.

The rush came ahead of new legislation to open up and regulate the gambling industry from 2007, which will initially limit the number of future new casinos to 17, including one Las Vegas-style supercasino.

A London gaming executive said local licensing authorities – the second and final hurdle – were this year approving about 40 percent of the casino applications they handled.

But before the new legislation, the Gaming Act, took force in April 2006, operators rushed in 63 new casino applications under the old regime based on 1968 legislation.

Casino operators now face the second test for their 29 applications – gaining approval from local authorities, which will often refuse a licence if they cannot prove there is local demand.

Analysts warned in April that if all 63 applications were fully approved, on top of the 17 that will be approved under new legislation from 2007, Britain might suffer from oversupply.

„There's currently about a 40 percent success rate,“ said the London gaming executive. „As of this week, 23 cases had been

dealt with by the (local) gaming licensing authorities in 2006, with 10 of them granted, 11 refused and two withdrawn.“

„There are 33 further licence applications that have been lodged for hearing,“ said the executive, who has been monitoring them on a case-by-case basis. „But many have planning issues.“

„If you extrapolate that 40 percent success rate to all 63 casino applications the gambling commission said it was handling after the cut-off in April, you'd expect about 25 to get fully approved,“ he added.

In addition, there are 14 casinos that were approved at both levels before 2006, but are not yet operating.

In total, Britain's 140 casinos could swell to around 190 once all the applications under new and old legislation have been dealt with.

„But it could be the end of the decade before they're all up and running,“ said the executive.

U.S. casino group Harrah's is currently entering Britain through the acquisition of London Clubs International, while Malaysian rival Genting is buying Britain's Stanley Leisure.