

CASINO ADVISORY PANEL

Formal Proposal Cover Sheet

Please fill in all categories below:

Name of Local Authority:

LEEDS CITY COUNCIL

Main Contact:

Name:

STEVE SPEAK, CHIEF STRATEGY AND POLICY OFFICER

Address:

DEVELOPMENT DEPARTMENT
LEEDS CITY COUNCIL
LEONARDO BUILDING
2 ROSSINGTON STREET
LEEDS
LS2 8HD

Name and title of Submitting Officer:

Name:

JEAN DENT

Title:

DIRECTOR OF DEVELOPMENT

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
Large (state number)	N/A
Small (state number)	N/A

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

Large (state number)	I
Small (state number).	N/A

SECTION I: INTRODUCTION

Why Leeds?

Leeds is a microcosm of life across the United Kingdom, with some of the most deprived and some of the most prosperous wards in the country. Leeds City Council, classified as excellent under Continuous Performance Assessment, has a demonstrable track record of succeeding - in regeneration, partnerships with the private sector and enhancing the lives of the communities within its boundaries. In other words, Leeds is the ideal location to test the impact, both social and economic, of a regional casino.

Siting the regional casino in Leeds will provide measurable results that can be extrapolated effectively and that are valid across the United Kingdom, that are not skewed towards one type of economy or community, and that will allow future policy to be set within a realistic framework. Leeds can and will deliver. The city has an impressive track record of delivering major developments: it has the land, developers, market interest and strategy in place to implement a scheme without undue delay.

Leeds has a very public vision - Vision for Leeds 2004 to 2020 - the community strategy developed by the Leeds Initiative, the Local Strategic Partnership. The three main objectives of the vision are:

- Narrowing the Gap between the most disadvantaged people and communities and the rest of the city
- Going up a league - making Leeds an internationally competitive city
- Developing Leeds' role as the regional capital.

Awarding the casino licence to Leeds will directly benefit achievement of this vision by facilitating:

- increased investment
- regeneration of strategic areas of the city
- job creation for local people
- improved cultural facilities (such as an arena and conference centre)
- enhanced tourism
- increased profile for the Leeds city region.

In the development of our proposal, we have sought to address the concerns raised during our structured consultation process, namely:

- problem gambling
- leakage of benefits from the local economy
- the impact on existing leisure-related activities in the city

- the opportunity cost of a casino versus other types of development
- the public perception of casinos

To address the very valid concerns raised within the city, we have formulated a four-point plan, which the city will use as a framework for delivering a regional casino.

We have deliberately not pre-selected a site or operator at this stage, instead choosing to structure a process for the selection of a private sector partner(s) and delivery of associated development. This process has been developed in consultation with key stakeholders in the city, including representatives of West Yorkshire Police, education and skills organisations, voluntary and community groups and a variety of local partnerships.

This approach will ensure that the Council has control of the selection and measurement of the impact of the proposed 'test case' casino development. We believe that an open competition, once Leeds has secured the licence, is the best way of maximising the benefits to and responding to any concerns of our communities and meeting our obligations under the Gambling Act 2005.

There is an exceptional level of operator interest and a number of potential sites for development.

In short, Leeds is the ideal location for the regional casino because:

- the demographic make-up, diversity of population and breadth of economy make it a highly suitable and relevant testing ground, which will provide information that is applicable across the UK
- the plans, policies and aspirations of the city can benefit from the provision of a casino, particularly in terms of regeneration and provision of additional cultural facilities
- the city does not have access to the normal types of regeneration funding available in other core cities, and therefore private sector investment is a key leverage for regeneration
- the city has existing partnerships and communication mechanisms in place to manage the introduction of a regional casino, without the need to set up new partnerships / mechanisms that are costly and unfamiliar to the community.

SECTION 2: TYPE OF AREA

Leeds and surrounding areas

Leeds is a modern city with a cosmopolitan outlook. It reflects many sections of society, and is home to communities from many different backgrounds, making it the ideal location for testing the impact of a regional casino. Leeds is not skewed towards any particular type of industry / community / economy and does not suffer from any particular limiting factor - such as weak transport links / remoteness - which means that the results of a study in Leeds are valid generally to other parts of the UK.

■ Population and catchment

Leeds is the regional capital of the Yorkshire & Humber region, located geographically at the centre of the UK. With a population of 719,000 Leeds is the second largest metropolitan district in England.

1.6 million people live within a 30-minute drivetime of Leeds and just over 6 million within a one-hour drive, representing an extensive customer base for a regional casino (see Section 6). There are five major conurbations within a 30-minute drivetime of Leeds with populations ranging from 218,000 in Barnsley to 473,000 in Bradford, as illustrated below.

■ Transport links

Leeds has access to an impressive transport infrastructure, including: M1, M62 and M62 motorways; Leeds City (Railway) Station with 900 trains and 90,000 passengers daily; 100 National Express coaches serving 1,200 destinations daily; and Leeds Bradford International Airport handling 2.3m passengers per annum, estimated to increase to 4.4m by 2016.

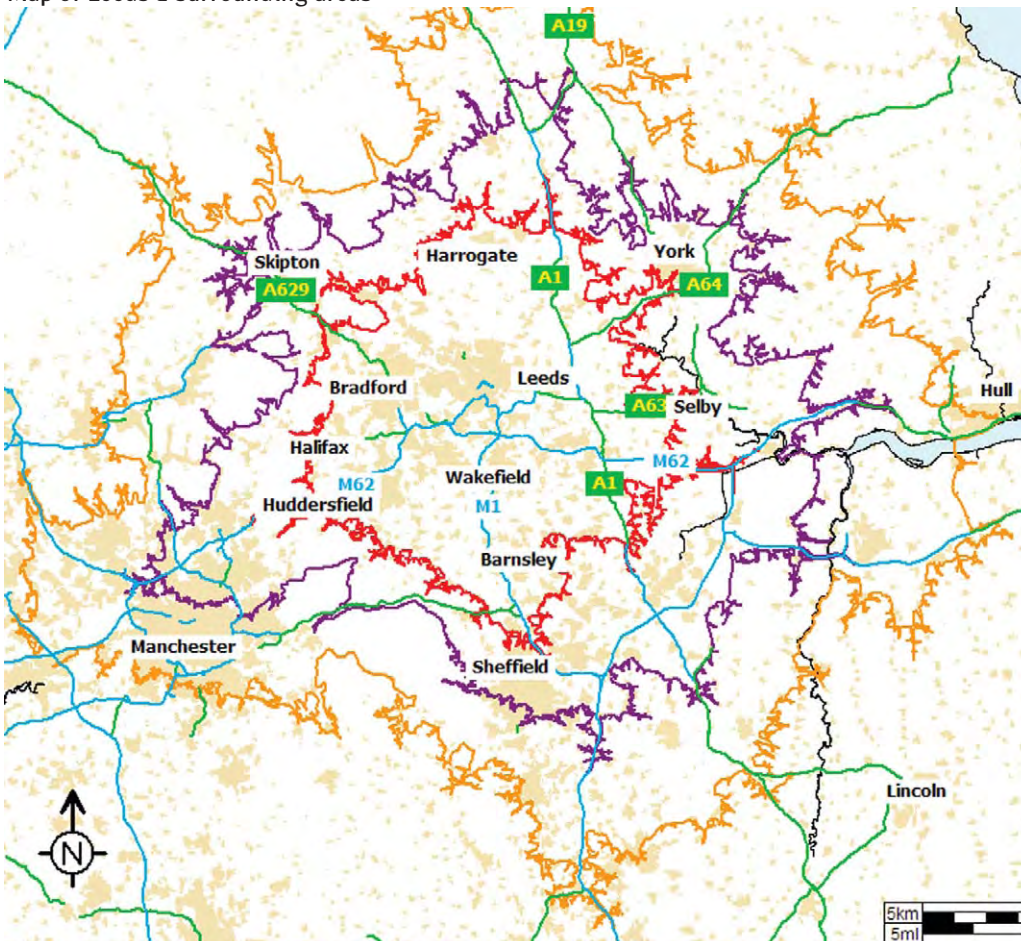
■ Employment and economic activity

Leeds is the largest employment centre in the Yorkshire & Humber region and is a major employment provider for adjacent districts. Leeds Metropolitan District employs approximately 442,000 people, with an additional 107,000 daily in-commuters. Leeds has the second most diverse employment structure of any major UK city and over the past 20 years (1984-2004) has created more employment than any other city outside London, with a net increase of 113,000 jobs.

Leeds has a largely service-based economy, with 84% of jobs in service industries including finance and business (25%), public sector (27%), media, legal, call centres and tourism. Tourism accounts for approximately 10,000 full time equivalent jobs. The economy supports 44,500 jobs (c.11%) in the more traditional manufacturing sector.

Leeds is the second largest provider of education to young people in England. There are eight further

Map of Leeds & surrounding areas



30 minute drivetime boundary
45 minute drivetime boundary
60 minute drivetime boundary

education colleges with over 77,000 students and two major universities with over 72,000 students.

However, against this background of economic success, Leeds faces significant issues with unemployment and deprivation. Over 44,000 people of working age in Leeds are not in employment, and are claiming some form of benefit – with over a quarter of these concentrated in just five of the city's wards. Although 31% of the local population is educated to degree level, 10% of 16-24 year olds have no formal qualifications. Leeds has a lower than national average proportion of 16 year olds moving on to further and higher education, and a lower GCSE attainment rate. It is estimated that 21% of job vacancies in the region are hard to fill because of skills shortages.

■ Deprivation

Approximately 150,000 people in Leeds live in areas officially rated as being among the most deprived in the country, suffering high levels of unemployment, low income, poor housing, poor health, family breakdown, low educational attainment and high crime rates. Seven wards have more than half of their Super Output Areas in the 10% most deprived in the country. (See map on next page)

■ Black and minority ethnic groups

There are 58,300 people from minority ethnic groups in Leeds (8% of the population), of whom 55% are Asian, 18% black and 17% mixed race. This spread closely matches the average for the core cities. Unemployment and deprivation measures for these groups are significantly higher than those for the area as a whole.

■ Tourism

The overall value of tourism in Leeds was estimated to be £483m in 2002¹, supporting an estimated 10,802 full time equivalent jobs. In 2002, there were approximately 1,340,000 staying visitor trips accounting for an estimated 4,402,000 nights and £198.2m expenditure and approximately 10m day visitor trips generating £238m of expenditure.

¹ Cambridge Report for Leeds City 2002 (most recent comprehensive tourism statistics)

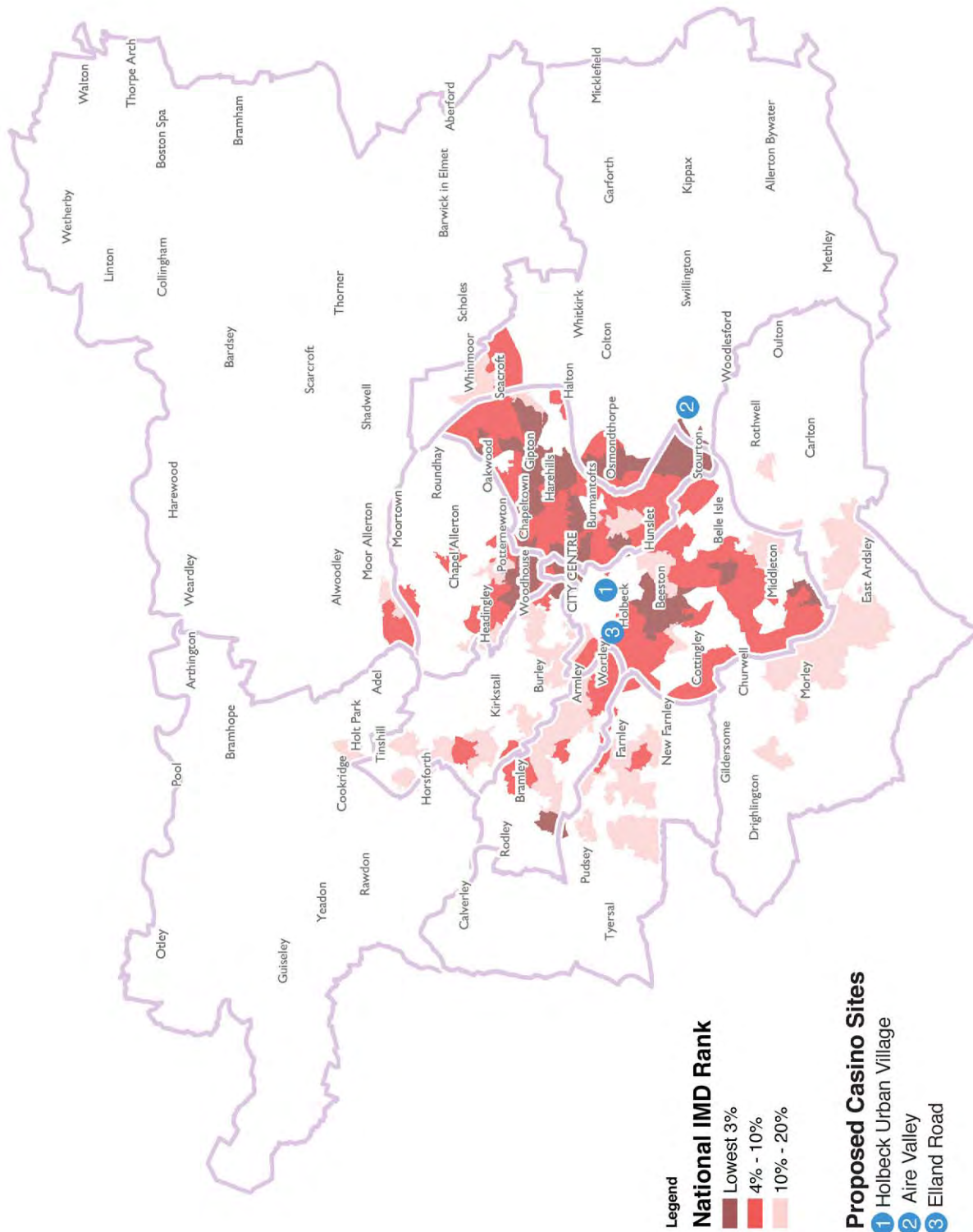
“Leeds will become known nationally and internationally as a dynamic, friendly and cosmopolitan European city. Already firmly established as a premier business and shopping destination, Leeds will become a 24 hour city, characterised by a vibrant nightlife, and so much to see and do that a return visit will be a must.”

Tourism Strategy for Leeds (2002-2007)

Leeds has a broad tourist economy, with a strong business travel sector, and an improving leisure tourism profile. Hotel occupancy levels indicate significant demand from Monday to Thursday, underlining the strength of the business travel sector. However, there is latent demand on weekends. As identified in the Tourism Vision, the city is therefore seeking to build on its already strong business tourism base, and expand the leisure tourism offer. This will be achieved through the development of enhanced business and cultural facilities, including a conference and exhibition centre and an arena / live music venue and through marketing Leeds as a vibrant visitor destination.

A regional casino development in Leeds would not only provide a vibrant 24-hour visitor attraction providing significant employment opportunities, but would facilitate the development of an enhanced cultural and business infrastructure in the city (an ambition reliant on private sector investment due to Leeds limited ability to access major public sector funding).

The benefits of achieving the Tourism Vision will be to bring economic development to the host community in a sustainable manner that also works towards improving the quality of life of its residents.



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SECTION 3: NEED FOR REGENERATION

Regenerative benefits of a casino in Leeds

Leeds is an exceptional city, with its economic success driving forward the Yorkshire & Humber region. However, despite this success there are still significant gaps between the wealthy and thriving areas, and those suffering severe deprivation.

² ONS unit of population measurement, c1,000-2,000 people (smaller than ward level)

Of the four IMD measures of deprivation, Leeds ranked between 24th and 91st most deprived of the 354 local authorities nationally. 21% of Leeds' Super Output Areas² are in the 10% most deprived nationally, suffering from high unemployment, low income, poor health, low educational achievement and high crime rates.

Despite the pockets of pronounced disadvantage across the city, no part of its metropolitan area qualifies for Objective 1 status. Accordingly, unlike other cities within the UK, it is not able to secure significant levels of public sector funding for projects, placing greater emphasis on the role of private sector investment.

■ Vision for Leeds

One of the three aims for the Vision for Leeds is to narrow the gap between the most disadvantaged people and communities and the rest of the city. The Narrowing the Gap Executive was set up to support the work of the Leeds Initiative (LSP) to deliver the aims for the vision. It focuses on making sure the government's targets on health, crime, education, unemployment and housing are met and they meet the needs of the local

The executive works closely with five district partnerships that make sure the aims, themes and priorities of the vision are put into practice in local neighbourhoods and communities. The executive and the five district partnerships have developed the Leeds Regeneration Plan setting out the practical steps to achieving the overall aim of 'narrowing the gap'. This plan is used to target resources to maximise the impact of regeneration programmes.

■ Leeds Regeneration Plan 2005 - 2008

To meet the overall aim, the plan identifies the key opportunities and challenges faced by the city. The opportunities include public investment from through the Regional Economic Strategy, Regional Housing Board etc, and the identification of and investment in, key regeneration areas in the city, which include:

Aire Valley	A major £250m regeneration programme covering a large industrial area to the south east of Leeds city centre.
Holbeck Urban Village	Redeveloping the former 19th Century industrial area of northern Holbeck into a new urban village - an area which is safe to walk around, combining housing, health care, schools, leisure facilities and businesses.
East and South East Leeds (EASEL) Regeneration Initiative	An important, housing-led, scheme covering 1,700 hectares with a population of almost 79,000 people, which will tackle problems of unemployment, low skill levels, crime, poor environment and poor health.

As well as investment in the physical infrastructure, there are also a number of other factors that will bring new opportunities, including employment growth, building industry growth, Renaissance Leeds Partnership, Neighbourhood policing etc. The key challenges to overcome include improving educational attainment, improving health, reducing unemployment and benefit dependency, improving public services, involving excluded groups and targeting increased investment.

The following section and table 3.1 opposite set out the rationale behind the aspiration for a regional casino licence in Leeds, and illustrates how this type of development could contribute to the priorities for action set out in the Regeneration Plan.

■ Rationale for a regional casino

The Vision for Leeds identified that a key priority for local people was the development of cultural and entertainment facilities. A feasibility study was commissioned to establish the market for, and potential delivery of, such facilities in Leeds. It concluded that Leeds was in need of a range of cultural facilities, including at least a large-scale arena and conference and exhibition facilities, however it was unlikely that the city would be able to access any significant public funding to achieve this aim.

A regional casino development would provide the city with a significant opportunity to use private sector investment to facilitate physical regeneration in local communities, and the economic and social benefits that this would bring. The table below sets out how a regional casino and associated development could benefit some of the key priorities for action to 'narrow the gap', as set out in the Leeds Regeneration Plan (see table 3.1 opposite).

Table 3.1. Delivering against the Regeneration Plan

Vision theme	Priorities/ actions	Casino benefits
Culture	<ul style="list-style-type: none"> ■ make facilities more accessible to disadvantaged communities ■ provide good quality, affordable cultural facilities ■ use cultural facilities to involve people and communities 	<p>A regional casino has the potential to provide cross funding for much needed cultural facilities, in areas in need of regeneration, to benefit deprived communities through access to culture and employment.</p>
Enterprise and the economy	<ul style="list-style-type: none"> ■ provide employment and training opportunities for deprived communities and groups where unemployment is high ■ reduce the levels of debt and financial hardship suffered by people who live in deprived neighbourhoods 	<p>As a significant employer, the casino operator would be required to target employment and training opportunities in deprived communities, and be fully committed to the delivery of the Employment and Skills Strategy for Leeds. The concept of a Social Inclusion Fund (identified later in this section) will help to address levels of debt and financial hardship.</p>
Environment	<ul style="list-style-type: none"> ■ provide better quality environments in deprived neighbourhoods which will last for future generations ■ tackle basic environmental problems by improving the quality of services ■ build a sense of community and business responsibility for the environment 	<p>The development of new high quality facilities, recognising the design principles of Renaissance Leeds and 'designing-out' crime, would improve the environment in a regeneration area, in or adjacent to deprived communities and: act as a catalyst to other businesses to locate nearby and provide a source of local pride and community.</p>
Harmonious communities	<ul style="list-style-type: none"> ■ tackle social, economic and environmental discrimination and equality faced by particular communities ■ reduce crime and the fear of crime 	<p>Liaison with Police Architectural Liaison Officers and Safer Leeds Partnership in the design phase would ensure that a casino development would contribute to developing a safer environment, potentially reducing anti-social behaviour and alcohol-related violence, and therefore help to reduce the overall fear of crime. <i>A partnership with West Yorkshire Police is identified in Section 4.</i></p>
Health and well-being	<ul style="list-style-type: none"> ■ improve the health of people in deprived communities by helping to reduce poverty, drug and alcohol misuse 	<p>Contribute to the reduction in poverty through the provision of employment and training opportunities to the most deprived communities. Social Inclusion Fund.</p>
Learning	<ul style="list-style-type: none"> ■ help people get the best possible jobs, reducing unemployment and low-paid work 	<p>A regional casino could provide upto 4,000 direct jobs, a large proportion of which would be full time opportunities. Training, certification, career opportunities, overseas travel and above average remuneration are all possible within a regional casino - and this will be targeted to benefit the most deprived communities.</p>
Transport	<ul style="list-style-type: none"> ■ improve access to employment, social, cultural, learning and leisure facilities and activities in deprived and isolated neighbourhoods by providing safe and sustainable public transport 	<p>Access by public transport will be a key criteria in the evaluation of the preferred scheme and site. In particular, affordable access from deprived areas will be considered.</p>
Thriving places	<ul style="list-style-type: none"> ■ develop a city-wide approach to neighbourhood management to improve services for deprived communities 	<p>This development could provide a catalyst to any of the cities major regeneration programmes or areas, encouraging further private investment in deprived communities.</p>

■ Physical regeneration and site selection

The Vision for Leeds identifies 12 major projects and programmes to achieve its three aims of narrowing the gap, going up a league as a city, and developing Leeds' role as the regional capital. The award of a regional casino licence has the potential to contribute to many of the projects and programmes, in particular the following:

4. **Regenerate and restore pride in all places** – start with Harehills, Beeston Hill and Holbeck and Gipton, attract private investment into neighbourhoods, involve local people in community planning and celebrate the distinctiveness of market towns, villages, rural areas and district centres
7. **Develop the Aire Valley Leeds** (the region's most important brownfield site) – transform up to 400 hectares of derelict and contaminated land into a major employment area, creating 29,000 jobs
9. **Improve the cultural life of the city** – develop a new large-scale international cultural venue, invest £120m to restore and modernise existing facilities (eg the Grand Theatre) and establish a new community festival.

The Council will ensure, through its structured selection process, that the development of a regional casino contributes to its wider regeneration objectives. The selection process will not limit proposals to a specific site, however it will strenuously evaluate the regeneration impacts of each proposal, therefore providing an incentive for proposals in key regeneration areas.

■ Site selection

The Renaissance Leeds Partnership was set up by the Leeds Initiative to coordinate the way public funds are used to deliver physical regeneration projects identified in the Vision for Leeds, and to encourage private sector investment in the city's poorer areas. It is anticipated that the partnership will be heavily involved in site selection, in order to maximise regenerative benefit.

In order to maximise the physical regeneration benefits to the city, the Council have set out their criteria for site selection, and will be evaluating:

- social implications (linked to operator selection criteria)
- opportunity for delivery of associated facilities, for example an arena or conference centre
- physical regeneration proposals
- financial proposals
- impact on transport infrastructure
- impact on the environment
- social regeneration – economic benefit.

These criteria will be used, alongside the operator selection criteria, to provide an open and transparent mechanism for selecting a preferred site, which protects

the needs of the Council. The Council have noted the research in Australia relating problem gambling more to location and accessibility of facilities rather than the jackpots or pay-outs on offer, and this has been reflected in a robust site selection mechanism, together with input from local police to 'design out' potential negative impacts.

■ Site availability

The Council is aware of a number of proposed developments within key regeneration areas (identified previously) that are seeking to include a regional casino. These are outlined below.

Holbeck Urban Village

The northern part of Holbeck is an area that is in need of major regeneration and in which there is now strong developer interest. The City & Holbeck ward is one of four in the city with an economic activity rate under 50%, and more than half of the Super Output Areas composing the ward are in the top 10% most deprived nationally.

A private developer has been granted planning permission for a regional casino on land at this site, which extends to 3.7 hectares (9.1 acres) and is within walking distance of Leeds railway station.

Plans to create a new urban village in Holbeck, just to the south of the city centre, could see the creation of over 5,000 new jobs and attract investment of c. £800m into the area over the period to 2015. The vision for the future is to create a mixed use, sustainable community with a distinctive sense of place, which exemplifies best practice in urban regeneration and sustainable development.

Aire Valley Leeds

The Aire Valley Leeds is a major regeneration programme, covering an area of 1,000 hectares on the southern edge of the city centre, constituting over a third of all land available for industrial use in West Yorkshire.

The Council's strategic vision is for the area to become the 'window' to Leeds. This is to be achieved in part by producing a new infrastructure and landscape to give it an identity and make it a destination or new quarter.

The Aire Valley Leeds is currently the subject of an overall master planning exercise with housing and leisure uses being considered to support a step change in the area, in addition to employment generation. A major developer / operator partnership is seeking to develop a casino and cultural facilities alongside a planned business park.

Elland Road

There is an existing proposal (outline planning bid submitted w/c 20/03/06) for a casino under the 1968 Act, plus plans to develop a significant integrated casino /

Policy area	Casino impact and assistance
Encouraging business competitiveness and investment	Delivering a casino will have a significant impact on inward investment in Leeds, offering new business opportunities through the economic multiplier effect and the increased demand for complementary facilities (hotels, entertainment, restaurants etc)
Regional centre and a cosmopolitan city	Leeds is already the regional capital. Delivering a regional casino would boost the city's tourist offer, provide a business opportunity for other tourist venues, and through increasing visitor numbers from elsewhere in the region and beyond will further increase the cosmopolitan feeling in the city that the Council embraces
Assisting socially excluded people and communities	The Council is excited about the regenerative benefits of a regional casino, and sees this as a key way to boost its strong existing efforts through its contribution, in both capital and revenue/ support terms, to assisting disadvantaged and excluded groups
Cooperation and partnership	The Council is, as detailed within this submission, already committed to using partnership working as a way of achieving its goals. A casino would bring together different groups through its operation and management of the positive/ negative social impacts, and the Council has already commenced work designed to develop these partnerships (with the city's universities, regeneration groups etc)

leisure scheme on land adjacent to Elland Road football stadium.

The site has existing transport links and policies in place to minimise the disruptive effect of a new development, and given the existing level of footfall / traffic on match days the site would be capable of dealing with the traffic associated with a casino development. The site is highly visible from the main arterial road and rail routes, and lies almost adjacent to one of the most deprived residential areas in the city.

■ Economic development

The Leeds Economic Development Strategy was developed in parallel with the Regional Economic Strategy. It informed the West Yorkshire Sub-Regional Action Plan and contributes to the realisation of the set out in Vision for Leeds. The development of a regional casino in Leeds would assist in the realisation of the outcomes set out in the table above).

■ Maximising local economic benefit

Alongside the long-term job creation and local employment schemes discussed in Section 4, the casino will generate significant construction-related employment. Again, the Council will be reviewing the local employment policies of the developers, prior to selecting a preferred partner. It is expected that the existing Leeds Construction Partnership will be involved in developing specific local policies.

In order to mitigate against 'leakage' from the local economy, operators will be encouraged to enter into local supplier agreements. This will both promote local economic benefit and provide further regeneration via the ripple effect of support businesses being set up to provide services to the casino and related leisure developments.

SECTION 4: SOCIAL IMPACT

Social impact of a casino in Leeds

■ Introduction

It is recognised by all of the stakeholders in Leeds that the social impact of a casino needs to be managed, mitigated and shaped to ensure that positive benefits are accrued for the local and regional economy, whilst potential negative impacts on social cohesion, crime and problem gambling are minimised.

The city of Leeds has experienced growth in its leisure economy in the past ten years, particularly based in the city centre, and a casino would further enhance this offer. However, the views of the local community are critical, and we have consulted with key stakeholders – including the police, local financial / debt management agencies, community leaders, chamber of commerce etc – to develop a base plan for addressing the social impact in Leeds. This section highlights the key concerns identified, and the developing proposals to counter negative social impact.

■ Emerging concerns

Consultation to date has highlighted a number of concerns regarding the potential negative social impact of a regional casino. The main issues identified can be summarised in three key areas:

- impact on problem gambling levels
- impact on community cohesion
- impact on crime and disorder.

Further consultation is on-going with representatives of community groups in the city, in order to ensure that the final proposals for site and operator selection are well thought through and offer deliverable mechanisms to mitigate the concerns raised. These measures will need to cover both customers and employees, and relate to both the casino itself and its wider advertising policies.

In relation to all of these concerns and in light of the position of this development as a national 'test' of impact, the collection of baseline data in the city and proposals to measure the resultant impact of the development will be crucial. Therefore the city is proposing to work with three key partner agencies to undertake a baseline study of the main indicators that would enable comparison to future data collection following the development of the regional casino. The main partners with whom we have in principle agreement are Leeds Metropolitan University, Leeds University and West Yorkshire Police.

A detailed methodology would be developed in consultation with the DCMS and the Gambling

Commission. We note that existing programmes and studies would provide a useful starting point for research, for example the work of the National Centre for Responsible Gambling in the USA, therefore consultation with similar organisations would also shape the approach. The selected casino operator would be required to fund the main impact study.

The partnership with the universities is seen to be a key benefit of the approach taken by the Council. The partnership will not only apply to the study of impact, but will also extend to education, jobs and skills links. For example, Leeds Metropolitan University runs the country's first BA (Hons) course in Club and Casino Management, and therefore a regional casino would provide practical experience and opportunities for employment at senior levels.

In order to combat the effects of problem gambling, we have developed the concept of a Social Inclusion Fund (SIF), designed to provide on-going support to key community programmes in the city. This forms part of our four-point plan to address social impact:

- 1) Formulation of detailed site and operator selection criteria to ensure a 'socially conscious' partner is selected
- 2) Development of a Social Inclusion Fund (SIF), to promote and deliver specific initiatives such as a Community Banking Partnership
- 3) Detailed consultation both up-front and on an on-going basis, via the existing community networks, to shape policy and application of the SIF
- 4) A joint partnership with Leeds University and Leeds Metropolitan University to provide a robust, longitudinal analysis of the impact of the casino, the data from which can be used to focus future work on social inclusion and community cohesion.

■ Problem gambling

Leeds has been at the forefront of tackling financial exclusion problems in vulnerable and disadvantaged communities. The Financial Inclusion Steering Group, and the Financial Inclusion study undertaken on behalf of the city, identify some of the key issues affecting financial exclusion, and in particular the impact of high interest credit arrangements on people without access to mainstream banking.

The Financial Inclusion Steering Group involves stakeholders responsible for service delivery within the city, as well as partners from the local community, business and the Council. It is a well-established group, which is recognised nationally as a leader in the field of measuring and tackling financial exclusion.

Debt / financial problems are a key component of problem gambling, affecting not only gamblers, but also

their families. Therefore, we envisage that the involvement of the Financial Inclusion Steering Group will be a crucial component in tackling problem gambling via providing financial and debt planning advice and access to affordable credit, alongside a structured programme of counselling and support to tackle the addiction.

A second component of problem gambling is the accessibility of advice / support to address the problem. Part of our operator selection criteria will be to insist that a percentage of the operators staff are trained counsellors, able to provide advice and support. We will also be requiring detailed mechanisms for identifying problem gamblers and restricting their access to the casino.

Social cohesion and the impact on families is a further issue, and it is envisaged that the SIF will be partially used to fund on-going communication/ consultation with community groups, as well as providing programmes and counselling for families affected by gambling.

It is anticipated that all programmes would be developed in conjunction with the Responsibility in Gambling Trust, in order to improve national information sources and learn from best practice models.

■ Community cohesion

A core part of the work of the Leeds Initiative is focused on community cohesion. Robust community consultation networks have been developed, which allow problems to be identified and addressed on a timely basis.

It is difficult at this stage to assess the impact of a casino, as there is no preferred site or operator, and therefore the Council have focused on ensuring that the framework is in place, via the four-point plan and selection criteria, to promote involvement of the community in scheme assessment, employment and regenerative benefits. Feedback received so far has highlighted social cohesion as a key issue for the Council to consider in relation to the development of a regional casino, therefore this will be a primary focus for the stakeholder board involved in managing the Social Inclusion Fund.

As part of the final site selection, the impact on social cohesion will be one of the most important factors considered. The Council are open-minded on how best to marry the regeneration / social impact considerations, and this could include the opportunity to develop a casino in an area where social impact is minimised, but which allows financial benefits to be invested in areas of greater regenerative need – particularly where siting the casino directly in an area of deprivation is likely to cause greater negative social impact. We believe that such an approach may be both positive for the city, and allowable under the guidance via the agreement Authorities can enter into with the preferred partner.

■ Crime and Disorder

“The establishment of a regional casino in Leeds is a welcome opportunity to facilitate regeneration in areas that have not seen the same success as the city centre. Whilst the potential for increasing crime and disorder problems should not be underestimated, these can be minimised with planning, commitment and resources”

Superintendent Peter Nicholson
City and Holbeck Division,
West Yorkshire Police

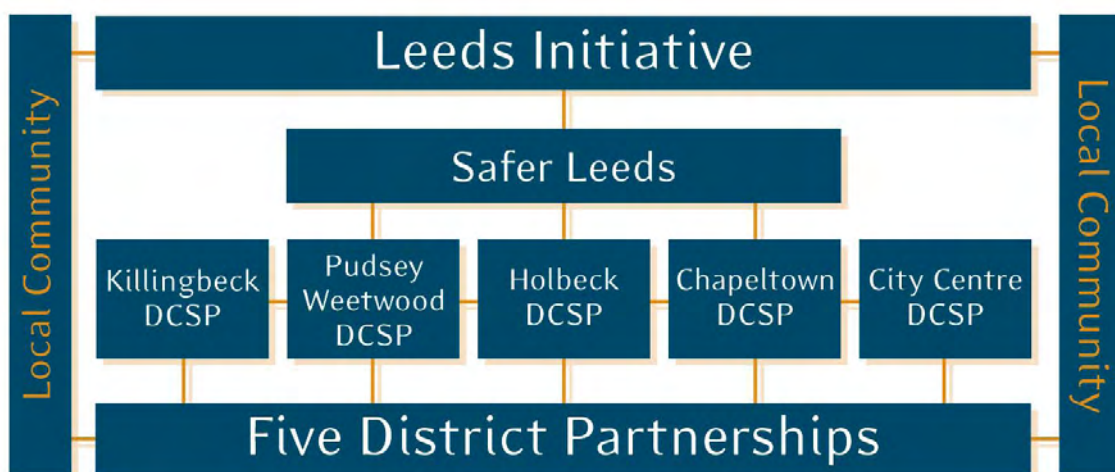
Strong partnerships already exist within Leeds to tackle the issue and implications of crime and disorder in the community, as illustrated on the next page.

Initial discussions with senior police officers have highlighted potential crime and disorder implications / risks associated with the development of a regional casino (and other cultural facilities). These include opportunist and vehicle crime, road traffic collisions, public order offences, drug abuse and criminal damage.

Recognising the potential risks, Leeds is committed to work with its existing partners and future delivery partners to ensure that the risks are minimised. As a minimum the Council propose to:

- Involve a Police Architectural Liaison Officer in the development and evaluation of all scheme proposals – to ensure that where possible opportunities for crime are designed out at an early stage
- Secure resource support from operators to contribute to the cost of additional policing throughout the life of the project
- Work with its university partners and West Yorkshire Police to measure and evaluate the impact of the development on key crime indicators and associated resource expenditure.

Through partnership working, Leeds will seek to ensure that the impact on crime and disorder is minimised, and local communities benefit from physical and economic regeneration within a safe and prosperous community. The Safer Leeds Strategy 2005-8 is a good example of existing partnership working to tackle crime and disorder. This is the latest three-year plan of Safer Leeds (a statutory partnership under the Crime and Disorder Act 1998 with a range of agencies including West Yorkshire Police, the Local Strategic Partnership and primary care trusts). The strategy is implemented through five divisional community safety partnerships and the priorities in the latest plan are acquisitive crime, anti social behaviour, drugs, reassurance and violent crime.



■ A Social Inclusion Fund (SIF)

Given the uncertainty around the financial revenues associated with a casino, the Council will be looking to agree a form of revenue or profit share with the selected operator. Feedback from the operator consultation has highlighted the achievability of this mechanism, in the form of a turnover rental arrangement or Joint Venture vehicle. This money will then be directed into a SIF, which will be used to tackle city-specific issues, and thereby minimise the negative social impact of a casino.

The SIF will be used alongside existing programmes in the city, and will cover:

- setting up a Community Banking Partnership and local community network, to tackle financial exclusion problems and, in particular, access to affordable credit
- job / skills centre and outreach programme, potentially in conjunction with the existing academic qualifications available through the local universities and colleges
- subsidising community schemes and groups e.g. sports clubs or community transport schemes
- supporting subsidised access to sports facilities / community facilities.

The extent of the fund will depend on negotiations with the operators, but the Council is confident that a deal can be agreed which balances up-front capital investment in regeneration schemes, with on-going participation in a SIF. Existing advisors in the city only have the capacity to deal with around 1,300 specialist financial cases a year and with demand for debt advice outstripping supply - the additional funding provided via a SIF is seen as being a key component not only for addressing gambling problems, but to improve the wider advice provision in the city.

The SIF will be managed by a stakeholder board, providing the opportunity for direct community input into how the monies are utilised. Indeed, the Leeds Initiative is an excellent example of how the stakeholder groups already work together in Leeds.

■ Job creation opportunities

A casino will create significant opportunities for new employment in the city. However, in order to ensure that jobs are accessible to local communities, the preferred operator will be required to work with the Council in providing pre-employment skills training to local people. The Council has a demonstrable track record in ensuring that new employment is available to local people, and the partnership scheme with retailer Tesco in Seacroft is an excellent example of how a private partner has worked with the Council to provide skills / education which has prepared people for work in Leeds.

If an integrated development was selected, such as a scheme including an arena and conference centre, the operator will be asked to provide an on-site learning space, which is accessible to local community groups and educational establishments. Further, there is an opportunity for the universities and local colleges to become key delivery partners in education - providing experience to their students, and providing the operator with highly trained employees.

■ Operator selection process

The Council have not pre-selected an operator at this stage as this is unlikely to provide best value to the city and could easily be open to challenge from other interested operators. Instead, the Council have focused on ensuring a robust set of selection criteria is in place, against which an open and transparent competition can take place. The headline criteria relating to social impact are:

- Social inclusion initiatives
 - contribution to a Social Inclusion Fund
 - provision of counselling / support services
 - community involvement / consultation proposals

- Employment proposals
 - skills / training initiatives
 - proposals for working alongside the Jobs & Skills team within the Council
 - proposals to prioritise local employee opportunities, including specific targeting of disadvantaged groups

- Education initiatives
 - on-site learning / skills centre
 - University partnership proposals
 - education outreach schemes.

In compiling the headline list, the Council have taken note of activities in other countries. The preferred operator will need to be proactive in addressing problem gambling, and will need to take account of best practice overseas, such as the Responsible Gaming Resource Guide in the USA or the Code of Practice in South Africa.

It is also noted that as part of gaining an operating licence, the operator will be subject to a stringent test of social responsibility - providing further comfort over tackling social impact - and that a Code of Practice will be introduced nationally. However, Leeds is mindful that local circumstances are equally important, and we therefore intend to supplement the national Code with local requirements where appropriate.

SECTION 5: WILLINGNESS TO LICENCE

Willingness of Leeds City Council to licence a casino in Leeds

“A regional casino in Leeds would involve the prospect of bringing jobs and other regeneration benefits to the city. Consultation with partners and developers has demonstrated their support for such a bid, and their support will become very important in the future, if we are successful in securing a licence for regional casino.

I am particularly keen to ensure that such a development contributes significantly to our regenerative efforts and helps to genuinely narrow the gap between the haves and have nots.”

Cllr Andrew Carter
Leader of Leeds City Council

■ City Council Procedures

The Council is supportive of this application for a casino licence in Leeds. Published minutes from the Executive Board demonstrate the support of Leeds City Council to licensing a regional or large casino in the city.

■ Licensing Authority Statement of Licensing Policy

There is a statutory duty upon the Council as licensing authority to produce a statement of licensing policy in advance of the first appointed date in January 2007. The Authority is scheduled to produce a draft policy by June, which will then be consulted on over the summer. It is intended that consultation on the policy can be undertaken in parallel with further consultation on the casino issue generally, in order to inform future development of the implementation proposals (site / operator selection etc).

The Authority will set out in its statement the factors that it will take into account when considering applications for premises licences. For example it is within this statement that reference will be made to considerations such as the proximity of gambling premises to residential areas or, for example, schools and other key areas where there is a high concentration of families with children.

Draft guidance issued by the Gambling Commission also proposes that licensing authorities whose areas have been chosen for the new casinos should, in their licensing policy statement, set out the principles they intend to apply when determining the 'winner' of a premises licences competition (para 17.11). Much of our proposal for site and operator selection takes advantage of this opportunity within the guidance, and the city will use the powers available to them to maximise the regenerative benefits to the city, whilst mitigating the negative impact.

■ Partner support

Alongside the regulatory approval of the Council, significant support has been received from local organisations acknowledging the benefits of a casino, particularly as part of a wider integrated leisure scheme. However, partner concerns have been given equal importance, and the social impact section outlines how the city proposes to measure and tackle those concerns in a pro-active manner.

Consultation with local bodies such as the Financial Inclusion Group has been particularly important in formulating some of the action plans to tackle problem gambling and negative social impacts, as noted elsewhere in this document. Engaging in focused consultation at this stage has promoted a climate of rational debate, and this is crucial in supporting the Council's appetite for licensing a casino.

SECTION 6: PROBABILITY OF IMPLEMENTATION

Probability of Implementation

Leeds has the key characteristics required to sustain a successful regional casino and, as detailed earlier, has formulated a structured approach to ensure that it is delivered for the maximum benefit of the community. This section provides evidence in support of Leeds as a sustainable location, and illustrates the deliverability of a regional casino in the city.

■ Feasibility studies

Two feasibility studies relating to this proposal were completed in 2005: **Casino Report** (on behalf of Yorkshire Forward), and; **Leeds Concert Hall, Arena and other Music Facilities Feasibility Study** (on behalf of the Leeds Cultural Partnership). The key findings are outlined below.

Casino Report for Yorkshire Forward (Ernst & Young)

Yorkshire Forward, the Regional Development Agency for Yorkshire & Humber, commissioned a report to establish the impact that new casino developments would have on the regional economy, to inform its view of future developments, and identify appropriate locations within the region.

The report found that from a commercial perspective Leeds would be the most sustainable location for a regional casino. Leeds has the largest 30-minute and 1 hour catchment (potential customer base) in all scenarios tested, including an adjusted catchment to take account of a potential competing facility in Manchester and/or Nottingham. This illustrates that if Leeds were chosen as the location for a regional casino, it would be sustainable in the long-term if further regional casinos were permitted. The report also stated that in relation to current planning legislation, and noting the attraction of large urban centres over their smaller neighbours³, Leeds is the most attractive market for a regional casino.

The revenue model for a regional casino developed by Ernst & Young estimates that a regional casino would have between 2-3m visitors per annum, and generate between £73m-£130m.

Leeds Concert Hall, Arena and other Music Facilities Feasibility Study (PMP)

A major study was undertaken in 2005 by specialist consultants to examine the future cultural facility requirements of Leeds, including a large-scale arena, concert hall and conference and exhibition facilities. The study examined market demand and commercial

viability, funding and financing, impact on other facilities in the city and wider region, and physical considerations such as location, design etc.

The study concluded that the city should seek to redevelop the Town Hall, and facilitate the provision of a 12,500+ seat arena, and conference and exhibition facilities. The study highlights the large capital cost of this type of facility, and identifies enabling development, potentially including a casino, as an essential part of the funding package. Leeds has significantly less access to the sources of public funding usually associated with this type of development, such as ERDF monies, and therefore it will rely on private sector enabling development such as a casino.

Following major public consultation, and the resultant level of support for an arena development, the Council is in the process of appointing a consultant team to advise on the procurement of these facilities. **If successful in this application, the team and process, sites and market interest would be in place to deliver the cultural facilities and regional casino.**

■ Vision 2004 to 2020

Facilitating a casino in Leeds would help the city in its drive to achieve the Vision for Leeds 2004 to 2020. The casino can be linked to both the 'narrowing the gap' and 'going up a league' agendas, and the benefits of a casino could be channelled into improving the cultural and leisure offer in the city and region.

Implementation would fit well with current over-arching policy, therefore eliciting further partnership support and providing additional comfort in relation to the probability of implementation.

■ Operator / Developer interest

Several market-testing exercises have been undertaken in the past year, in relation to the development of the cultural facilities required and a regional casino. The response from operators and developers has been extremely positive for both types of facility, with many eager to provide both cultural facilities and a regional casino.

As noted already, proposals exist for a number of sites within the city, and representations have been received from a number of additional parties interested in working with the Council. Given the Council's insistence on retaining an open approach to site and operator selection, the level of interest shown has been particularly positive, with operators putting forward information / schemes / concepts at their own cost, without the comfort of any 'preferred partner' status.

Operators that have expressed a strong degree of interest include Kerzner International, Aspers, Stanley Leisure, London Clubs International and Rank. Each has

³ Retail Gravitation Model

stated a strong belief that Leeds would be a good testing ground for the social and economic impact of a regional casino, and a commercially sustainable location. Given this context, the Council are extremely confident that a keenly-contested competition can be delivered, and significant benefits sought (because of the commercial strengths of the location), in order to maximise local benefit.

■ Competition impact

Leeds has worked hard in recent years to develop a vibrant nighttime economy, encouraging the spread of restaurants, coffee shops, pubs, clubs and bars across the city. However, Leeds still lacks major facilities, such as large-scale music venues or conference and exhibition venues to match the other core cities. In this context, an integrated leisure destination, including a casino, would add to the benefits on offer, rather than creating unnecessary competition.

A regional casino, depending upon its location and ancillary development, could potentially benefit the nighttime economy and environment in Leeds. It has the potential to attract additional visitors to the city, extend the nighttime economy and contribute to the alleviation of the bottleneck effect at closing times. The city is seeking to benefit and regenerate the locality of the casino, and therefore will evaluate the benefits and minimise negative impacts through its selection process.

There are five existing casinos in Leeds, as a permitted area under the 1968 Act. We recognise that there is the potential for some negative impact on the existing casinos in the city, however we believe that through strong management and positioning, the negative effects could be mitigated. The 2005 Gambling Act does not provide all of the benefits to existing casinos as it will to the seventeen new casinos defined within the Act, and therefore there will not be a level playing field for existing locations. However, many restrictions under the 1968 Act that have previously applied to these casinos have been lifted, for example the 24 hour rule and advertising limitations, and thus it could be argued that the existing casinos could initially see an improved situation. Potential benefits for existing casinos could be seen via the increased profile and knowledge of gaming in the area and an increase in skilled gaming workers in the local economy. Clearly the major threat is the movement of existing and future customers, however operators will need to address this through careful positioning and branding of the venues - for example providing a personalised service.

SECTION 7: REGIONAL AND LOCAL CONTEXT

How will a casino fit within the regional and Local framework?

'Advancing Together' sets out the vision of all the key regional partners for the Yorkshire and Humber region, and provides a framework for the development of key regional strategies:

“Yorkshire and Humber will be a recognisably world class and international Region where the economic, environment and social well being of all our Region and its people advance rapidly and sustainably.”

■ Planning

The Yorkshire & Humber Plan (YHP), the draft Regional Spatial Strategy, is the spatial expression of the Advancing Together vision. It sets out the regional position on casino development in Policy E2 (Town Centres and Major Facilities) Bii, as follows:

“Sheffield and Leeds will be the preferred locations for any future regional casinos and related development – any proposals should demonstrate support for the health of the city centre including its night-time economy.”

This policy is based on the findings of the independent study commissioned by Yorkshire Forward (detailed in Section 6). Consultation with Yorkshire and Humber Assembly confirmed its support for either Leeds or Sheffield as the location for a Regional Casino. The YHP will inform the Local Development Framework (LDF) for Leeds, currently under development and not scheduled for adoption until 2009. The emerging LDF, and any applications relating to casinos prior to adoption will be required to consider the YHP policy, existing planning designations and PPS 6. A strong planning case for a regional casino could be made within these parameters for a number of key sites in Leeds, including primary city centre and edge of centre regeneration areas.

■ Yorkshire Forward

Yorkshire Forward, the regional development agency for Yorkshire and Humber has resolved that it would support the case for a regional casino in any of the city regions including Leeds.

SECTION 8: COMMUNITY BENEFITS

How will a Casino benefit the communities of Leeds?

Many of the benefits of a casino in Leeds have been highlighted in various parts of this report. Nevertheless, it is worth reiterating how a casino, developed within the framework set out by the city, can contribute to enhanced communities in Leeds.

The key benefits link to the Vision for Leeds, which was widely consulted on and adopted as the guiding principle in taking the city forward. The benefits include:

- creation of a SIF to support the city's efforts in tackling financial exclusion and debt-related problems, as well as promoting affordable access to community and sporting activities
- enhanced employment opportunities, targeted at local people via the investment in training and skills learning
- local supplier agreements, aimed at retaining economic benefits in the local area and minimising leakage
- enhanced facility provision, delivering a greater range and quality of leisure facilities for the local and regional population
- increased tourism and local spend through promoting Leeds as a destination
- increased city profile, leading to enhanced investment in the city and region.

SECTION 9: SUMMARY

Why Leeds?

Table 9.1 highlights the key benefits of awarding the regional casino to Leeds, and demonstrates the key differentiating factors that make Leeds an ideal location for the casino

Table 9.1. Why Leeds?

Assessment Category	Do we meet the criteria?	Evidence
Type of Area (p3-4)	✓	Leeds has a demographic range representative of the UK population. It is not dominated by any sector of the community/ type of industry or means of employment. It is the regional capital and an ideal testing ground for a new concept, such as a regional casino.
Social Impact (p5-9)	✓	Leeds has set out clearly a four-point plan to identify, measure and tackle negative social impact, something the city has a successful track record of achieving. The issues have been recognised and will be a priority in selecting an operator.
Need for Regeneration (p10-13)	✓	Leeds Regeneration Plan highlights the regenerative needs of the city, which are many. Leeds does not have the same level of access to public funding that most core cities enjoy, making partnerships with the private sector of paramount importance. Leeds now has a strong track record of working in partnership to deliver regeneration.
Willingness to Licence (p14)	✓	Executive Board approval is in place, and the City is on schedule with production of specific licensing policy.
Probability of Implementation (p15-16)	✓	Leeds has a track record of implementing major developments. There is demonstrable operator interest and sites available for development. There are clear links with the City's aspirations to provide enhanced leisure/ commercial facilities, such as an arena and conference centre.
Regional and Local Context (p17)	✓	Leeds is identified as one of two preferred locations in the draft Regional Spatial Strategy, and is supported by Yorkshire Forward as a potential area for a regional casino.
Community Benefits (p18)	✓	Delivery of a regional casino at the heart of the Yorkshire and Humber region will promote investment in regeneration areas; provide enhanced jobs and skills opportunities; increase visitor interest and spend in the local economy; and contribute to tackling structural problems such as financial exclusion.

The Council have carefully considered their position in bidding for the regional casino, and we believe that the benefits to Leeds, if managed carefully, can provide real and lasting contributions to regeneration and social investment, and will help the City achieve its Vision of narrowing the gap, going up a league and developing Leeds' role as the regional capital.