

# A Destination Casino in a Regeneration Area of National Importance

Submission to the Casino Advisory Panel  
March 2006



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# 1.0 Introduction

This document is Thurrock Borough Council's response to the invitation made by the Casino Advisory Panel to be considered as the first location in the UK to be awarded the opportunity to grant a licence to operate a regional casino.

Thurrock has not previously expressed its interest in this matter but the Council and Thurrock Thames Gateway Development Corporation have considered carefully the potential costs and benefits of having a regional casino development within the Borough.

The Council and the Development Corporation have jointly concluded that the nature of such a development fits well with Thurrock's wider regeneration aspirations.

A resolution to approve the submission of this application was passed by Thurrock Council in March 2006 with the full support of the Development Corporation.

The Council acknowledges that there is a need for further work on its part in responding to some of the detailed information the Panel is seeking, including the results of local public consultation. However, we are confident that we will be able to present a compelling case within the timetable of the selection process.

Both the Council and the Development Corporation believe that Thurrock offers a unique opportunity to test the concept and social impact of a regional casino of the sort envisioned by the Government in bringing forward the Gambling Act 2005.



## Thames Gateway

Thames Gateway is a national priority for regeneration and growth. It is the largest brown-field development site in Europe and is the first and biggest of the Government's four growth areas identified in the Sustainable Communities Plan, launched by the Deputy Prime Minister in 2003.

Thames Gateway growth is expected to account for the majority of London's expansion over the next 15-30 years, reorienting the region's economic focus from west to east. A strategic aim is for the Channel Tunnel Rail Link (CTRL) to form an alternative transport route to Continental Europe, comparable to Heathrow and Gatwick.

Thurrock is central to the Thames Gateway regeneration area and the Thurrock Thames Gateway Development Corporation was established in 2003 to drive forward sustainable economic growth in partnership with Thurrock Council and other local and regional stakeholders.

In establishing the Development Corporation, the boundaries of which are coterminous with Thurrock Borough Council, the First Secretary of State defined its overall objective as follows:

**To promote and deliver the sustainable regeneration and growth of Thurrock, within the context of the national policy set out in the Sustainable Communities Plan, the plans for the wider Thames Gateway sub-region, and for the eastern region as a whole.**

Thurrock Council's vision is shared with the Development Corporation and the Local Strategic Partnership 'Shaping Thurrock.' It is to secure comprehensive and sustainable housing and economic growth, through the structured development and regeneration of the Borough for the benefit of new and existing communities and visitors to the area.

The Development Corporation published its Framework for Regeneration and Sustainable Growth in Autumn 2005. The Framework builds on the national policy direction established by the Government's ambitions for the Thames Gateway.

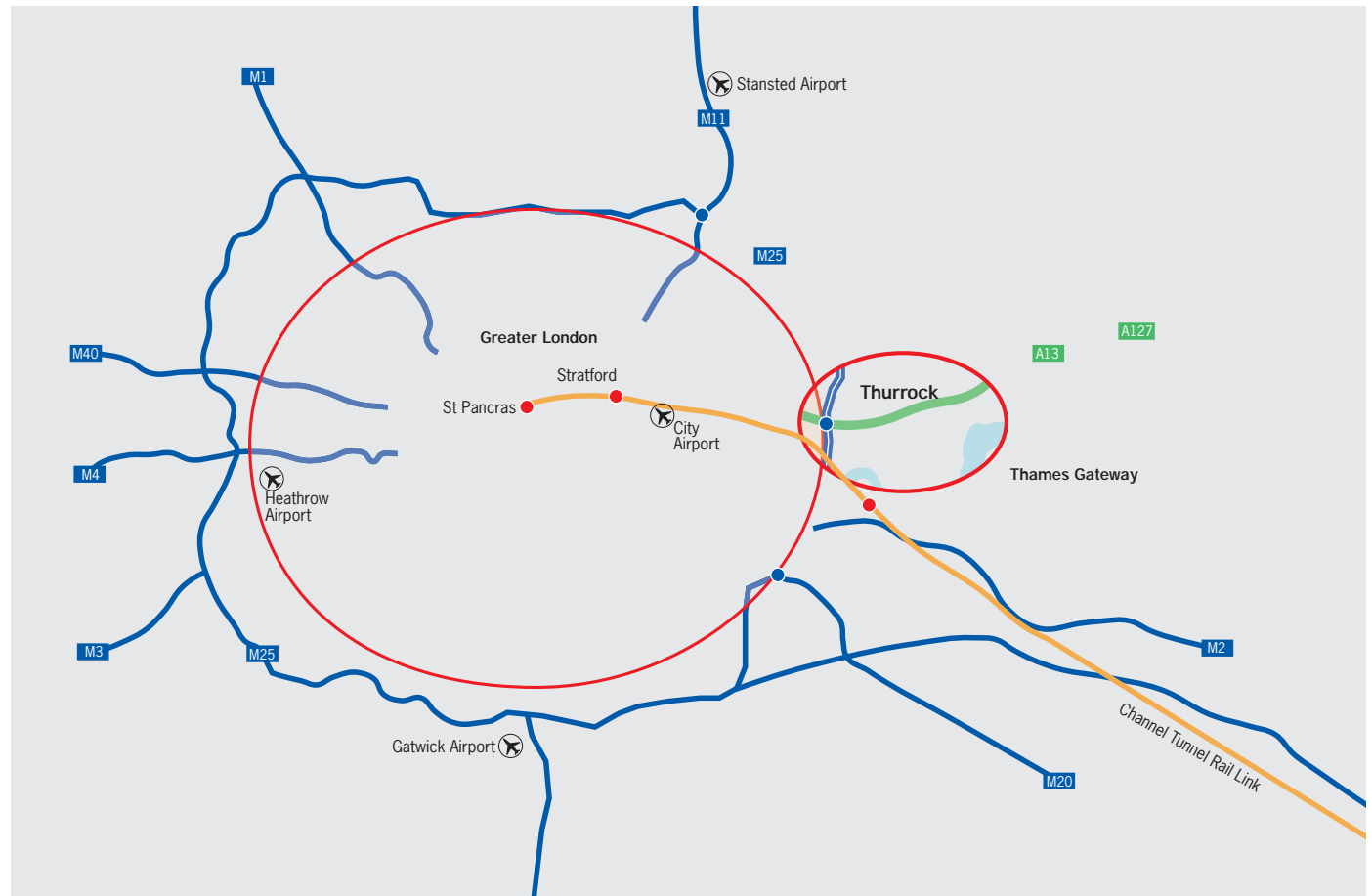
There are nine strategic goals through which the Development Corporation in partnership with the local authority and the LSP will deliver the shared vision for Thurrock including one specifically to support opportunities for entertainment and leisure development and thereby promote Thurrock as a destination of choice.

The demand for housing in the London region is to be met, in part, by housing development in Thurrock. However, in order to attract a diverse social and economic resident profile it will be necessary to provide a range of housing development allied to high quality leisure, entertainment and retail attractions.

It is in this context that the Casino Advisory Panel is asked to recommend Thurrock as an appropriate location within which to properly test the concept and social impact of a regional casino.



## 2.1 Type of Area



### Thurrock

Thurrock is a unitary authority located 15 miles east of Central London. The Borough covers an area of 64 square miles, has over 18 miles of riverside stretching along the Thames River and includes a significant number of 'brown field' and land-fill sites.

Situated at the heart of the Thames Gateway, Thurrock is strategically positioned on several key transport corridors including the Thames, the M25/A13, the Dartford Crossing and the C2C rail link to Fenchurch Street Station and Canary Wharf in East London.

The area is served by London City Airport to the west and Stansted Airport to the north. To the south, the Port of Tilbury is an important entry point for international tourists with the potential for the development of the existing cruise terminal and up to forty liners docking annually.

With a population approaching 147,000, Thurrock is characterised by sub-urban development south of the A13 with more scattered rural communities to the north.

Much of the population and economic activity is centred along the riverfront. This includes a number of large and important industrial sites, including the Coryton Oil refinery, London Gateway and the Port of Tilbury.

Thurrock is also home to the Lakeside Shopping Centre and Retail Park, one of the largest retail attractions in Europe.

Thurrock is an area in need of regeneration and there are deep pockets of deprivation. Two wards fall within the top 10% most deprived wards in the UK and a further five wards fall within the top 20% most deprived.

Employment is skewed towards a narrow range of sector opportunities, specifically port-related transport, logistics and retail. Regeneration proposals aim to address the lack of diversity in the local economic base.

The overall unemployment rate is marginally below the national average (4.8% compared to 5%) however this disguises the extent of under-employment in Thurrock and issues relating to relatively low levels of skill and qualifications within the local workforce.

The age profile is slightly younger than the national profile with a moderately higher proportion under the age of 16 and a marginally lower number over the age of 60.

Retail, hospitality and leisure sectors, when taken together, account for 1 in 3 jobs in Thurrock, due principally to the opening of the Lakeside Shopping Centre in 1990.

### Local Image

Image plays a crucial role in securing economic development as inward investors build up an image of a place over time and are slow to modify their perceptions.

Thurrock is perceived by many as an 'ugly industrial place' but location and connectivity of the area are highly valued strengths and there is an opportunity to exploit the so-called 'halo' effect of the successful regional shopping centre at Lakeside.





By playing to its strengths, Thurrock can address longer term inward investment challenges. Specifically, this means projecting Thurrock as a key transport node that will act as a springboard for further investment and new business development.

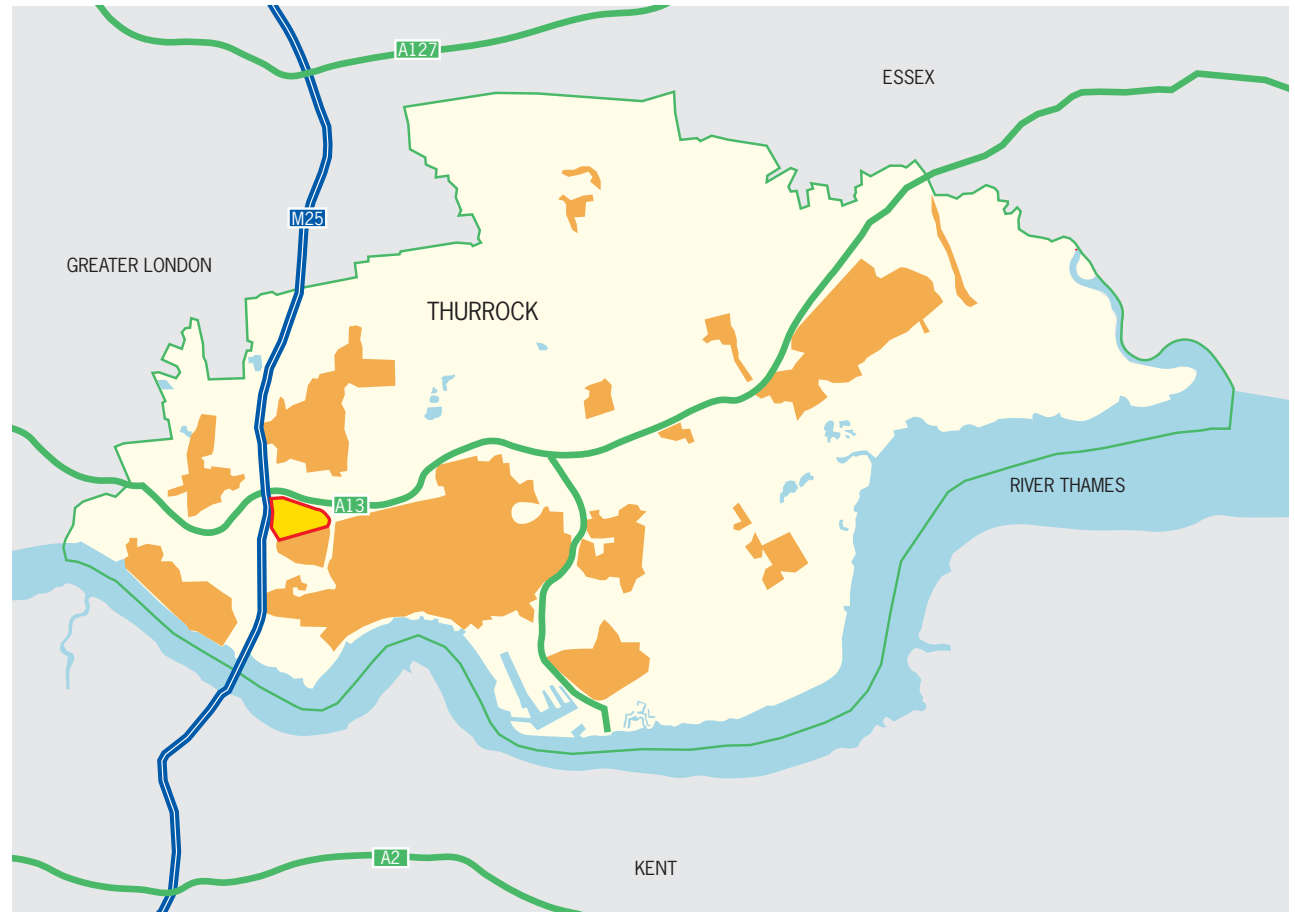
The critical issue is to create an improved sense of place for Thurrock; an awareness of it being a destination as well as an important trading 'cross-roads'. To achieve this the Development Corporation and Council are poised to exploit the success of Lakeside as a key component of the economic regeneration strategy for West Thurrock and the Lakeside basin.

## 2.3 Type of Area

Diagrammatic map of Thurrock

Key

-  Arena Essex
-  Boundary of Local Authority and UPD Area
-  Housing areas in Thurrock
-  Employment areas in Thurrock



### Lakeside Regional Shopping Centre

In the last decade, the principal significant growth location has been in West Thurrock, around the Lakeside Regional Shopping Centre.

Lakeside opened in 1990 and currently has 1.38mn sq ft of retail and leisure space with 300 shops, a 7- screen cinema, an 8 hectare (20 acre) lake with a water sports centre and parking for 13,800 cars, all spread across 48 hectares (120 acres).

Although there has been some displacement of retail and leisure demand away from Thurrock's older town centres, Lakeside is regarded as the 'best achievement in Thurrock' in the last 20 years.

Situated at Junction 30 on the M25, attracting 24mn visits annually and with under utilised land including 'brown-field' sites in close proximity, this location offers an excellent opportunity to further enhance Thurrock's visitor economy.

The development of a regional casino with a broad mix of leisure and entertainment activities, including a four star hotel with conference and exhibition facilities, would enable Thurrock to brand itself as a high quality business and leisure destination with excellent connectivity to London and other national and international markets.

### West Thurrock and Lakeside

Public consultation is currently underway on the emerging options under the draft master plan for West Thurrock and Lakeside within the context of Thurrock's Framework for Regeneration and its developing Spatial Plan.

As part of the master plan consultation process local residents will be asked to consider the specific proposal to develop a regional casino. A potential site has been identified by Thurrock Thames Gateway Development Corporation – Arena Essex.

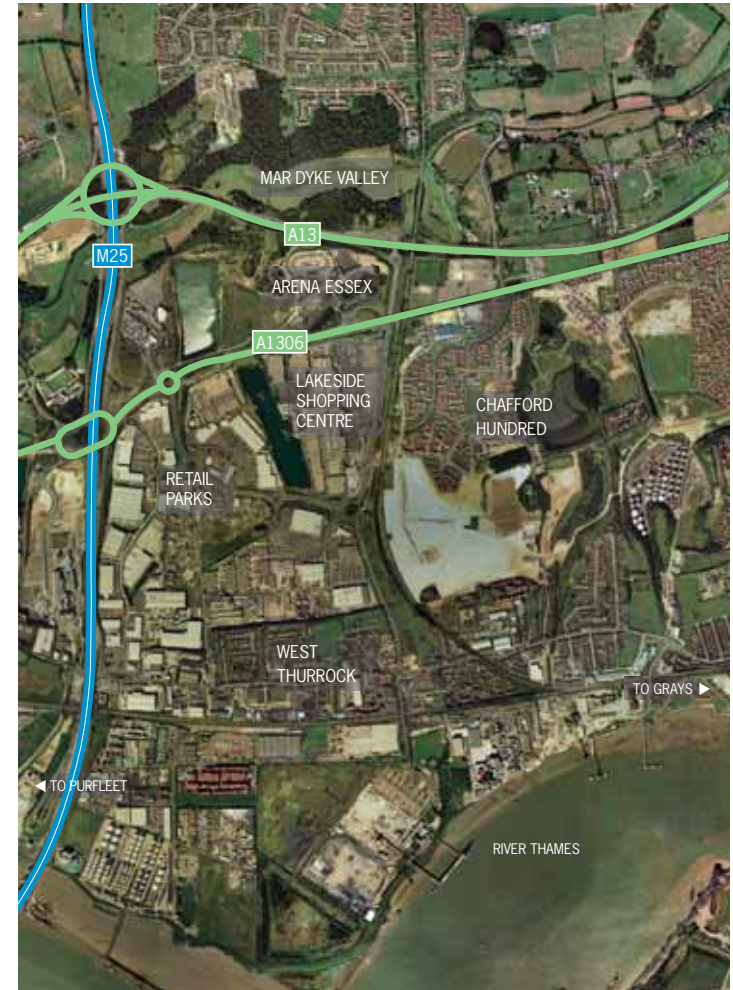
Situated adjacent to the Lakeside Shopping Centre, Area Essex is a 52 hectare (126 acre) prominent gateway location easily accessible via Junction 30 on the M25 and has a catchment of over 1.25mn within 20 minutes drive-time. 3.3mn within 30 minutes and 5mn within 60 minutes.

In private ownership with a race track for motor sport and large lake, the former quarry is currently under utilised but offers the potential for comprehensive redevelopment with the creation of a stunning landscape that would be further enhanced as a setting for the casino proposal.

The potential scale of investment would offer opportunities for ecological and environmental enhancement as well as an opportunity to set new 'bench mark' standards for sustainable construction and innovative design.

In addition, there is potential for recreational links to the Mar Dyke Valley parkland and southwards to the riverside as part of an overall leisure package as well as an opportunity to contribute to open space and access enhancements as part of the Thames Gateway Green Grid initiative.

## 2.5 Type of Area



## 3.0 Social Impact

Thurrock is not currently a permitted area for casino development but there exists a unique opportunity to test the concept and social impact of a regional casino in an established and accessible, 'out-of-town' location within a regeneration area of national significance.

In bringing forward the Gambling Act 2005, the Government has expressed a view that it expects to see a regional casino developed within the context of a wider leisure development that may include hotel and conference facilities together with other food, drink and entertainment activities.

The intention being that the resulting development is regarded and visited as a leisure 'destination' where gambling is one component of a number of leisure and entertainment components.

Evidence around the world suggests that the risk of developing a gambling problem increases if gambling opportunities are located in convenient town-centre venues where people are likely to gamble on impulse.

In the UK, less than 1% of those adults who gamble are believed to be at risk of developing a problem with their gambling. Nevertheless, for those that do get into trouble, 'problem gambling' is a serious issue and can have serious consequences for their immediate dependents.

The combination of a regional casino developed as a leisure 'destination' about which a conscious decision to visit is necessary - in the same way as a visit to Lakeside Shopping Centre is made – and a sustained local public education campaign which instills a responsible attitude to gambling, is expected to mitigate any negative social impact with regard to 'problem gambling'.

There is increasing international evidence that this approach can be successful.

It is the council's intention to work closely with local and national support service providers and the eventual operator of the casino facility to ensure that all necessary precautions are undertaken. Specifically, we will inform our future actions based on some of the initiatives in other parts of the world including Canada and South Africa that have demonstrated success in educating communities about gambling responsibly.

The selected casino operator would be expected to work closely with the local community as follows:

- Establish an awareness program in schools and colleges about responsible gambling
- In partnership with local and national service providers, raise awareness in the community more generally how to gamble responsibly
- Share best practice and benchmarking for excellence in service with local hospitality businesses
- Collaborate with local and regional stakeholders in marketing Thurrock and the Thames Gateway to attract further inward investment
- Sponsor job training initiatives in partnership with local colleges and other skills agencies
- Assist new and proposed Further and Higher Education facilities with the development of tourism and hospitality related training programmes and courses

- Work with the Local Strategic Partnership, providing tangible support within the community such as employee-based volunteer programs helping elderly and low-income households with home improvements
- Support and fund local charities

In response to any concerns regarding the possible impact on local businesses, the successful casino operator will be required to commit to supporting local and regional suppliers whenever it is reasonable to do so.

Other concerns that have been expressed about this scale of casino development include increased levels of petty crime. However, the Council recognises that any increase in crime levels is more likely to be a function of increased numbers of people rather than specifically to do with the activity of gambling. In this respect, Thurrock is used to policing millions of visitors to Lakeside and will cope with a regional casino with equal success.

The 'Safer Thurrock Partnership' works proactively to tackle crime and disorder issues in the Borough. Thurrock Council's Environmental Health service works closely with Essex Police on licensing matters under an agreed protocol. It can be anticipated that Police and Council Licensing Officers will tackle any problems in the same effective way they have carried out enforcement in premises licensed for alcohol and entertainments under the Licensing Act 2003.

There is no evidenced 'problem gambling' in Thurrock and there are no particular concerns about existing licensed gambling establishments. Nevertheless the Council, as a responsible future licensing authority, recognises the possible harmful effects especially to children and its officers will seek to undertake joint initiatives on prevention as well as investigating and prosecuting offences.

The area around Lakeside Shopping Centre and specifically the Arena Essex site is ideal for the successful development of a regional casino as a 'destination casino'.

Such a development, away from rather than within a residential area and yet still accessible to millions of potential consumers within 60 minutes drive-time, makes this location commercially attractive.

Importantly for Thurrock, this is a unique opportunity to further develop an existing and successful destination to such an extent that it will attract new residents and new visitors to the Borough, and has the potential to generate significant improvements in self-image and local pride.

With these safeguards and attributes, Thurrock offers an excellent test of the concept of a regional casino in circumstances that will ensure a positive social impact on the local community.

# 4.0 Need for Regeneration

With regional growth targets of 18,500 new homes and 26,000 new jobs by 2021, Thurrock faces a major challenge to raise the overall international investment image of Thurrock as an attractive area in which to work and live.

A more diverse local economy will attract a more diverse and affluent population to live and work locally.

There is a specific need for improving the quality and range of entertainment and leisure facilities for the existing population as well as in anticipation of future population growth.

The development of a regional casino will raise awareness of Thurrock, providing an identity that will improve its self-confidence as a destination in its own right as well as a vital gateway to London and the East of England.

A high quality conference, casino and leisure destination complex of the scale envisioned for Thurrock represents a powerful economic engine that will act as a catalyst for further inward investment that will offer significant benefit to the wider local and regional community.

The following may be included in any subsequent development brief for a regional casino:

- 4-star' Hotel (minimum of 250 bedrooms)
- Casino offering 1,250 slots, 80 table games, sports betting, bingo and keno
- High quality leisure entertainment, restaurants and specialty retail
- Flexible conference and exhibition space
- Live entertainment venue
- Additional significant leisure facility such as ice/snow facility
- Integral and direct links to Lakeside
- Parking for several thousand cars with ancillary parking linkages to Lakeside Shopping Centre and Retail Park to create a parking capability of upwards of 15,000 spaces in aggregate

The total capital investment is expected to be in the region of £300mn and the casino complex is expected to attract in excess of 3mn visits annually spending in the region of £100mn.

The preliminary estimate of the number of direct jobs that would be created ranges from 1,800 to 2,000 with up to a further 2,000 indirect jobs excluding construction related employment.

The majority of these jobs are expected to be permanent and will offer opportunities for adults of all ages either to enter the job market for the first time, or to re-engage with work on a more flexible basis with a strong sense of pride and self-esteem.

The type of jobs available within a regional casino includes:

- Casino – gaming tables, slots, sports book, cashiers
- Hotel – housekeepers, porters, concierge, reception
- Restaurants/Bars – servers, chefs, porters
- Entertainment – singers, musicians, actors
- Retail – servers, buyers, merchandisers
- Administration – finance, HR, purchasing, security, sales, marketing, IT, supervisory and management

A significant proportion of all expenditure derived from the operation will be spent with local and regional suppliers and service providers, injecting millions into the local economy at different levels of the supply chain.

The increased economic activity is also expected to leverage higher levels of investment in skills training and business development amongst those businesses competing to supply the leisure complex and surrounding development.

Between 1991 and 2001, employment in Thurrock grew +3.8% twice the national average, which was primarily due to the success of Lakeside Shopping Centre.

In addition to the need to create more reasons to visit Thurrock, continued reliance on Lakeside Shopping Centre for employment in an increasingly competitive retail environment must be balanced with exploring other job creation opportunities.

The development of a regional casino in West Thurrock and Lakeside will act as a catalyst for further investment into Lakeside Shopping Centre and the adjacent retail and leisure facilities.

## 5.0 Willingness to License

In March 2006, Thurrock Council's Cabinet agreed to support the submission of a case for the development of a regional casino within the Borough.

Preliminary work has also started on preparing the Licensing Authority's first statutory triennial local statement of licensing policy, which is required under the Gambling Act 2005. The provision of a casino will form a significant element of the draft policy statement that will be subject to wide consultation in accordance with Gambling Commission guidelines.

Thurrock Council is relishing the challenge of licensing premises under the new gambling regime and Members of its Licensing Committee have already received training and briefings on their forthcoming new functions and duties.

While public opinion has yet to be fully tested, there have been no objections to date regarding the proposal to site and license a casino in the Borough.



## 6.0 Probability of Implementation

Thurrock has had a number of discussions with potential casino operators and received a favourable response. However the Council has not advertised its interests in attracting a regional casino development. The Council intends to do so in April 2006 and anticipates a significant response.

The market dynamics of West Thurrock and Lakeside, particularly in relation to a population of over 5mn within 60 minutes drive-time and the mix of transport links, makes the potential development of a regional casino within this part of the Borough commercially attractive.

It will act as a powerful catalyst for other inward investment, particularly if the development is brought forward as part of a cluster of leisure attractions including the Lakeside Shopping Centre.

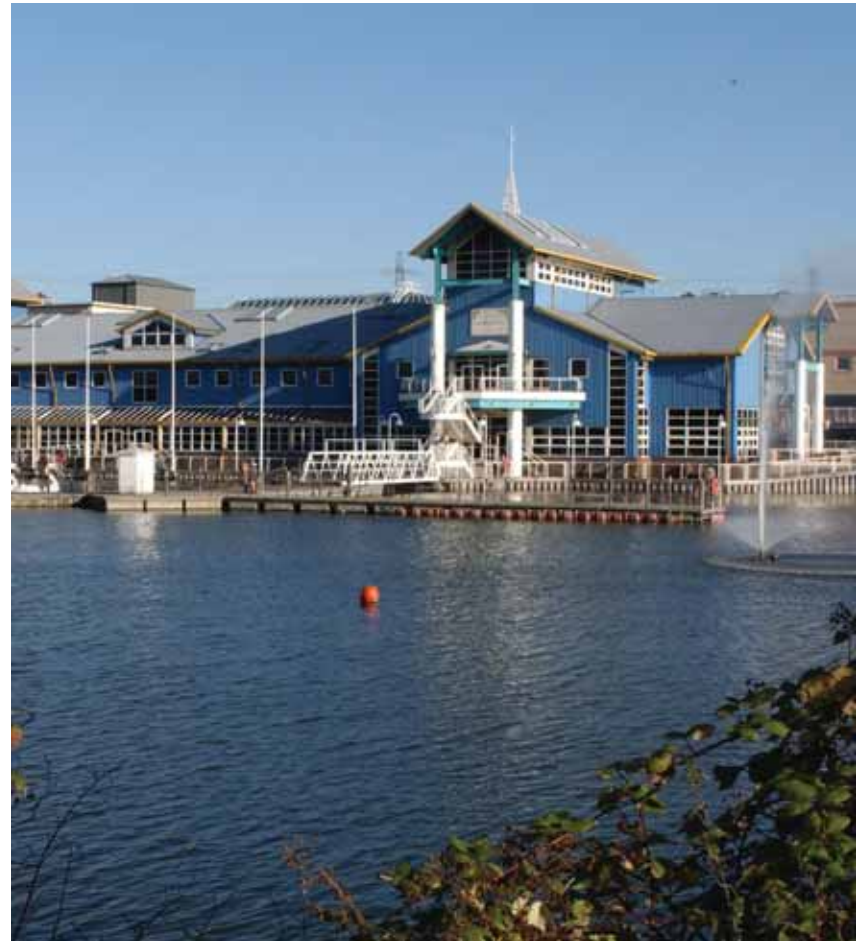
This assertion is supported by an assessment of the Arena Essex site carried out by Jones Lang LaSalle for the Thurrock Thames Gateway Development Corporation in Autumn 2005.

The Arena Essex site is currently in private ownership. However, the Development Corporation has concluded terms for a joint venture agreement with the site owners in respect of the future use of this site linked to the requirements of the emerging master plan.

Notwithstanding this, the Development Corporation has extensive statutory powers set out in section 136 of the Local Government, Planning and Land Act 1980 that include the ability to acquire development sites via compulsory purchase.

With agreement of the site owners, the Development Corporation will be passing shortly a formal resolution to promote a CPO over the site area to secure the Corporation's position and control over the site.

The combination of a Council willing to license a regional casino, a Development Corporation with a remit and statutory powers to urgently deliver economic growth in a regeneration area of national importance and a commercially attractive and well located site, means that Thurrock is in an unrivalled position to assume the responsibility for developing the UK's first regional casino.



## 7.0 Regional Context

The Development Corporation assumed its statutory planning jurisdiction over strategic planning matters on 12 October 2005.

In the absence of a completed Regional Spatial Strategy and Local Development Framework, Thurrock's Planning Policy Regeneration Framework, the emerging Borough-wide Spatial Plan and a series of area master plans that have been commissioned in conjunction with the Council comprise the primary source of policy and innovation to deliver the sustainable communities agenda in Thurrock.

The Regeneration Framework, which is informed by the draft RSS, specifically identifies areas where the Thurrock Thames Gateway Development Corporation and its partners should act to transform Thurrock. These priorities are expressed as nine Strategic Goals. Each Goal is supported by a series of policies that describe the approach to regeneration.

Strategic Goal 7 is to increase opportunities for entertainment, leisure and culture for the benefit of the existing population and to cater for the growth agenda. Policy 1 is to support opportunities for entertainment and commercial leisure development and the Spatial Plan will identify strategic locations with the prospects to attract leisure development.

The Development Corporation's Spatial Plan, which will be adopted in June 2006, will provide Thurrock with strategic and spatial planning guidance and will underpin the wider goal of creating prosperous and sustainable communities with good quality accessible services and robust social infrastructure.

The Spatial Plan will be supported by a range of area master plans including one for West Thurrock and Lakeside. These plans are ambitious and promote catalytic land use strategies with the capacity to transform the social and economic wellbeing of Thurrock's communities.

Public consultation for the West Thurrock and Lakeside master plan will include the specific proposal for a regional casino.



# 8.0 Community Benefits

Thurrock Council anticipates wide-ranging benefits to accrue to the local community including:

- Sustainable agreements with local suppliers and service providers
- Contribution to infrastructure provision necessary for the development to integrate with the existing transport network
- Support for the local Primary Care Trust in provision of services to 'problem gamblers' in the local community
- New 'bench-marks' for environmental sustainability and innovative design
- Leadership in local skills development and partnership working with local schools, colleges and businesses



## 9.0 Unique Characteristics

The following are the characteristics that make the development of a regional casino in Thurrock a unique and compelling proposition:

- Thurrock offers a unique opportunity to test the concept and social impact of a regional casino in an accessible 'out-of-town' destination
- Thurrock is positioned in the heart of Thames Gateway, a national priority for regeneration and growth
- Thames Gateway is the largest brown-field development site in Europe and is the first and biggest of the Government's four growth areas identified in the Sustainable Communities Plan, launched by the Deputy Prime Minister in 2003
- The existence of Thurrock Thames Gateway Development Corporation with statutory powers, funding and the authority to drive forward and co-ordinate sustainable economic growth in partnership with Thurrock Council and other local and regional stakeholders
- Thurrock has a policy Framework for Regeneration that provides a planning context from which a Spatial Plan and master plans are emerging that specifically support regional casino development
- Thurrock is strategically positioned on several key transport corridors including the Thames, the M25/A13, the Dartford Crossing and the C2C rail link to Fenchurch Street Station and Canary Wharf in East London
- The area is served by London City Airport to the west and Stansted Airport to the north. To the south, the Port of Tilbury is an important entry point for international tourists with the potential for development of the cruise terminal
- Thurrock is also home to the Lakeside Shopping Centre and Retail Park, one of the largest retail attractions in Europe with over 5mn people living within 60 minutes drive-time
- Adjacent to Lakeside is a commercially attractive 52 hectare (126 acre) development site, Arena Essex, which is identified within the master plan as appropriate for regional casino development. The site is within the control of the Development Corporation

Thurrock Borough Council believes that a regional casino will act as a significant catalyst for inward investment, creating jobs, improving skills and enhancing the overall image of Thurrock as a place in which to live, work, learn and play.





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