

**CASINO ADVISORY PANEL
Formal Proposal Cover Sheet**

Please fill in all categories below:

Name of Local Authority:

Leicester City Council

Main Contact:

Name:
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Name and title of Submitting Officer:

Name: Andrew Thomas

Title: Head of City Centre 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/No NO

Large (state number) 1

Small (state number) NO

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

Large (state number) -

Small (state number) 1

Introduction

Leicester City Council welcomes this opportunity to bid for the right to license one Large Casino under the Gambling Act 2005. In this submission we will show:

- **The present state of regeneration in our City, and particularly how the night time economy in the City Centre cries out for new development;**
- **The undoubted regeneration benefits that a Large Casino and its associated leisure complex would bring to the City;**
- **How we propose to address the very real concerns about gambling that we see in our communities.**

Type of Area

Leicester can be best considered as being at the centre of a series of concentric rings. From the city core bounded by the ring road, its own suburbs are themselves ringed by further suburbs in neighbouring administrations, extending out to the countryside; this whole area is identified within the Local Transport Plan and in spatial planning as a Central Leicestershire strategic area. Further outward from Central Leicestershire, the area extends to embrace the two neighbouring Cities of Derby and Nottingham, and the 3 Cities sub-region (including the County Council areas) is now at the heart of the RDA's Urban Action Plan and Regional Economic Strategy.

The Leicestershire area, which comprises the top tier authority areas of Leicestershire County and Leicester City, covers an area of 2,155 km² and has a population of approximately 899,100 (source: Census 2001) The figures for the City are shown below (Table 1).

Area	Leicester City
Area (sq km)	73
Persons per sq km, 2002	3,885

Source: Census 2001 Note: Leicestershire data includes Rutland

Population	Leicester City
Population, Mid-2003	283,900
Population Projection, 2011 (Mid 2000 base)	288,900
Ethnic Minority Population, 2001	101,182
% Ethnic Minorities, 2001	36.2%

Source: Mid Year Population Estimate 2003 (ONS), 2001 Census

TABLE 1: Area and Population

One of Leicestershire's key strengths is its central location, and strong communications network, providing easy access to the rest of the UK and beyond. 88% of the UK population can be reached in under 4 hours by road and 28 million people live within 2 hours' driving time. Figure 1 shows the potential market for a Casino up to 75 minutes' drive time away from the city centre.

Eight junctions of the M1 motorway serve the county of Leicestershire with easy links to other major motorways including the M69, the M6 and the M42 as well as the A14. By rail, Leicester lies on the main line between London and Sheffield, with London St Pancras just over one hour away. We also have the rapidly growing Nottingham East Midlands Airport 30 minutes away.

Ethnic Diversity

As Table 2 below shows, Leicester benefits from a significant ethnic minority population. An estimated 26 % of the city's population is Asian of Indian origin, largely Gujarati speaking Hindu population but also containing a modest Punjabi Sikh community. This diversity is significantly different from the ethnic profile of other neighbouring cities in the East (and West) Midlands.

Table 2 - DIVERSITY ANALYSIS BY ETHNIC GROUP - LEICESTER AND LEICESTERSHIRE, 2001

	Leicester City		Leicestershire		Coventry	Nottingham	Derby	London	England
	Number	%	Number	%	%	%	%	%	%
White	178,739	63.8	577,360	94.7	84.0	85.0	87.5	71.2	91
British	169,456	60.5	565,401	92.8	78.3	81.1	84.4	59.8	87
Irish	3,602	1.3	4,097	0.7	3.5	1.4	1.4	3.1	1.3
Other White	5,681	2.0	7,862	1.3	2.2	2.5	1.7	8.3	2.7
Mixed	6,506	2.3	4,537	0.8	1.7	3.2	1.7	3.2	1.4
White & Black Caribbean	2,841	1.0	1,573	0.3	0.8	2.0	1.0	1	0.5
White & Black African	539	0.2	342	0.1	0.1	0.2	0.1	0.5	0.2
White & Asian	1,908	0.7	1,692	0.3	0.5	0.5	0.4	0.8	0.4
Other Mixed	1,218	0.4	930	0.2	0.3	0.5	0.2	0.9	0.3
Asian or Asian British	83,751	29.9	22,506	3.7	11.3	6.5	8.4	12.2	4.6
Indian	72,033	25.7	18,519	3.0	8.0	2.3	3.8	6.1	2.1
Pakistani	4,276	1.5	903	0.2	2.1	3.6	4.0	2	1.4
Bangladeshi	1,926	0.7	1,385	0.2	0.6	0.2	0.1	2.2	0.6
Other Asian	5,516	2.0	1,699	0.3	0.6	0.4	0.5	1.9	0.5
Black or Black British	8,595	3.1	1,949	0.3	1.8	4.3	1.8	10.9	2.3
Caribbean	4,610	1.7	1,106	0.2	1.1	3.4	1.4	4.8	1.1
African	3,432	1.2	676	0.1	0.6	0.5	0.2	5.3	1
Other Black	553	0.2	167	0.0	0.1	0.4	0.2	0.8	0.2
Chinese	1,426	0.5	2,209	0.4	0.4	0.6	0.4	1.1	0.5
Other Ethnic Group	904	0.3	1,017	0.2	0.2	0.3	0.3	1.6	0.4
Total	279,921	100.0	609,578	100.0	100.0	100.0	100.0	100.0	100.0

Source: Census, 2001, KS06 Crown copyright

Regeneration needs

Leicester's regeneration needs have been extensively documented. The City suffered, particularly during the 1980's from the rapid contraction of its traditional textile and knitwear industry. This left a legacy of derelict and underused land in key locations, further compounded by unsympathetic highway schemes implemented in the 1970's. As a result, a major part of the central area is fragmented and severed, and much less successful that it should or could be.

The City's economy continues to be over-represented in the declining manufacturing sector (Table 3) and Leicester has failed to plug the gap left by its demise by capturing investment from industries in the nationally growing, high value added and knowledge-based service sector. Manufacturing employment in Leicester is 15.8% compared to a national average of 12.6%. Service sector employment in Leicester is 78.3%, and heavily weighted towards public sector employers, compared to 81.5% nationally.

Table 3: Present employment by sector

Employment by Sector	Leicester City
Total	158,124
Manufacturing	15.8%
Construction	3.5%
Distribution, hotels and restaurants	21.9%
Transport and communications	3.9%
Banking, finance and insurance, etc.	17.8%
Public administration, education and health	31.7%
Other services	4.5%

Source: Annual Business Inquiry, NOMIS, 2004.

As can be seen below, the Change in Gross Value Added per capita (1995-2002) was less than 30%, compared to nearly 43% nationally (Table 4).

Table 4: Economic statistics

Economic Information	Leicestershire (not available for Leicester city alone)
Total GDP	£11,837m
GDP £ Per Head, 1998	£12,720
Average Annual Growth in GDP Per Head, 1993 - 1998	5.0%
GVA £ Per Head in Manufacturing, 1997	£29,542

Source: ABI Regional and Local Statistics, ONS.

The outcome in terms of headline indicators is:

- Leicester currently lies at number 31 on the index of deprivation,
- Average earnings in the City (currently at £342 per week) are only around 80% of the national average (£422 per week).
- The City is also underperforming in terms of the rates of economic activity. (Only 37% of Leicester's working age population are in full time work, compared to 41% within the East Midlands)

Educational achievement in the City remains modest, even in our better performing state schools. (Table 5).

Table 5: Educational Achievement

TOP LEA SECONDARY SCHOOLS PERFORMANCE - LEICESTER AND LEICESTERSHIRE, 2003	Number of Students aged 15	GCSEs-5+ A*-C	Average A Level Point score per student[1]
Soar Valley College, Leicester	243	64%	N/A
St. Paul's Catholic School, Leicester	207	60%	239.7
Sir Jonathon North Com College (Girls), Leicester	210	59%	N/A
English Martyrs Catholic School, Leicester	170	55%	279.2
Rushey Mead School, Leicester	245	54%	N/A
Judgemeadow Community College, Leicester	241	54%	N/A
Beaumont Leys School, Leicester	196	49%	N/A
England Average (All LEA Schools)		51.10%	245.1

Source: DfES, 2003.

TOP INDEPENDENT SCHOOLS PERFORMANCE IN LEICESTER AND LEICESTERSHIRE, 2003	Number of Students aged 15	GCSEs-5+ A*-C	Average A Level Point score per student[1]
Leicester High School for Girls	33	100%	425.1
Leicester Islamic Academy	28	100%	N/A
Leicester Grammar School	106	99%	441.3

Source: DfES, 2003.

[1] The average point score per student is calculated as the sum of the points awarded to each 16-18 year old student, using the point scoring system shown below, divided by the total number of 16-18 year old students entered for a GCE/VCE A level. An A grade pass is awarded 120 points, B = 100, C = 80, D = 60, E = 40.

Levels of Tourism

Table 6 below shows the current value of tourism in Leicestershire and Rutland.

Table 6: The Value of Tourism in Leicestershire and Rutland

Total Revenue	
Analysis by Sector of Expenditure (£'s millions)	
Accommodation	104
Food & Drink	168
Recreation	66
Shopping	236
Transport	91
Indirect Expenditure	256
VAT	117
TOTAL	1039
Revenue by Category of Visitor (£'s millions)	
Serviced Accommodation	227
Non-Serviced Accommodation	20
SFR	77
Day Visitors	715
TOTAL	1039
Tourist Days (Thousands)	
Serviced Accommodation	2394
Non-Serviced Accommodation	564
SFR	2391
Day Visitors	29141
TOTAL	34,490
Tourist Numbers (Thousands)	
Serviced Accommodation	1304
Non-Serviced Accommodation	104
SFR	1004
Day Visitors	29141
TOTAL	31,553
Sectors in which Employment is supported (FTE's)	
Direct Employment	
Accommodation	2921
Food & Drink	4045
Recreation	1939
Shopping	5186
Transport	976
Total Direct Employment	15067
Indirect Employment	4067
TOTAL	19,134

Table 7 shows comparative levels of overseas tourism.
 Table 8 shows the most recent data available for the City of Leicester.

Table 7: Levels of Overseas tourism in UK counties/regions/countries 2004

	Staying Visits		Nights		Spend	
	000's	%	m	%	£	%
Total England	23,630	85.1	199.4	87.7	11,343	87.7
East Midlands	1,030	3.7	9.1	4.0	440	3.4
Leicestershire	260	1.0	2.2	1.0	139	1.1
Derbyshire	190	0.7	1.7	0.8	64	0.5
Nottinghamshire	280	1.0	3.1	1.4	136	1.1
Northamptonshire	190	0.7	1.3	0.6	54	0.4
Lincolnshire (Excl Nth)	130	0.5	0.8	0.3	46	0.4

Source: International Passenger Survey, ONS

Table 8: Levels of tourism

Tourist Numbers (000's)	2003
Serviced Accommodation	206
Non-Serviced Accommodation	0
SFR	438
Day Visitors	8,801
TOTAL	9,445

Source: The City of Leicester STEAM¹ Report 2003.

Leicestershire Promotions Limited follows the East Midlands Tourism Strategy 2003 – 2010. They have recently published their Draft Corporate Plan 2005 – 2010 and Business Plan 2004 – 2007 and the Casino Development, including a 4 – Star Hotel, will be a significant feature in developing Leicester's tourist industry and meeting some of their key objectives as follows;

- To achieve a return on investment for marketing spend of 13:1.
- To achieve a growth in the value of tourism to the area of 15%.
- To increase the number of jobs in the industry by 2,000.
- To ensure that 50% of all accommodation providers are quality assured.
- To assist in the creation of 1,450 new jobs.
- To assist in the safeguarding of 1,450 new jobs.
- To attract 12 new fdi successes.
- To encourage an additional 200 new businesses in the tourism industry.

¹ Scarborough Tourism Economic Activity Monitor (STEAM) is derived from a model developed by David James and Frank Hart in the process of developing a ten-year tourism policy for the province of Saskatchewan, Canada, in 1981

Leicester's Cultural Strategy

Leicester has an outstanding tradition of innovation in culture and sport. The City is home to four professional sporting clubs, a new world class Performing Arts Centre (PAC) and an emerging Cultural Quarter. Leicester's rich and diverse cultural heritage underpins a strong history of creativity and community cohesion.

In 2001, after extensive consultation with the city's communities and the cultural sector Leicester City Council launched 'Diverse City', Leicester's Cultural Strategy. Cultural diversity is seen as a strength and defining characteristic and celebrated, traditions are respected, opportunities to develop culture are embraced and first class cultural facilities are accessible to all. This ambitious vision is delivered through the 50 organisations from across the public, private, voluntary and community sectors that make up the Cultural Strategy Partnership. Included are 'places' such as museums, libraries and markets; 'people' and their faith, heritage and identity; and 'activities' like creative industries, art, play, sport, festivals, tourism and the entertainment and leisure sector essential to a vibrant city. Culture plays a dual role, driving the regeneration of our city and being key to the health, wealth and happiness of Leicester people.

As we demonstrate throughout this Application, the proposed development of a Large Casino would make a contribution to several of the primary objectives of the Cultural Strategy, specifically:

Cultural Strategy Objective 4: The City Centre:

To create a City Centre which exemplifies the richness of the city's cultural diversity and which is accessible and welcoming to all.

Cultural Strategy Objective 5: Creating Wealth from Culture:

To exploit fully the potential of cultural activity to contribute to the economic regeneration of the city.

Cultural Strategy Objective 6: Investing in Cultural Excellence and Growth:

To develop the quality and range of cultural activity and opportunity in Leicester in sustainable ways.

Cultural Strategy Objective 7: Growing Support for Culture:

To sustain and make best use of all existing financial, physical and human resources for the nurture of cultural opportunities and to attract new investment through which to improve and expand Leicester's cultural sector.

Leicester City Council has invested heavily in culture-led regeneration. Our £57,000,000 Cultural Quarter development is at the cutting edge of urban regeneration in the UK. The award winning Leicester Creative Business Depot is the first completed stage in this development with incubator spaces for over 50 creative businesses; opened in 2004, occupancy targets were rapidly achieved and exceeded. Site work is well advanced for the landmark PAC, designed by leading international architect Rafael Vinoly, and plans are progressing for a new Digital Media Centre. These developments have already levered in significant levels of private sector investment in the city centre with the development of new bars, restaurants and luxury accommodation, some £130m worth of planning applications having already been submitted for sites adjacent to the PAC.

Leicester has a vibrant and varied selection of festivals and events throughout the year, ranging from the biggest Diwali celebrations in the world beyond India, to Leicester's acclaimed annual Comedy Festival. The pulsating and ambitious programme of events brings together people of

different faiths, ages, and races and increases inter-cultural understanding, celebration and community confidence.

Our new Festivals and Events Strategy will build on this unique programme and identifies, as integral criteria for funding and measures of success, the contribution festivals and events make to community cohesion, local empowerment, economic growth and tourism. Last year over 5 million people took part in cultural activity in the city. A unique feature of our Casino development would be to negotiate ongoing revenue support from the operator for festivals and events as a major factor in our social responsibility measures.

The City has an established and proud reputation as an international model of community cohesion, was praised in the Cattle report, and has been awarded Beacon Status for 'Community Cohesion', 'Equal Opportunities' and now, in 2006, 'Culture and Sport for Hard to Reach Groups'.

There is undoubted reservation, particularly within faith communities, about the effect a large Casino might have on the city. Our social responsibility proposals will ensure that the Casino contributes directly to community cohesion in a sustained way by financially supporting festivals which each year bring diverse communities together to share and celebrate history, heritage and artistic expression, increasing cross - cultural awareness and understanding.

The Cultural Strategy Partnership has strongly advocated the need for a more balanced night - time economy in the City Centre and a large Casino would be a significant component in this mix. Consultation with communities continues to identify the need for wider entertainment options in the City Centre – day, evening and night - time – and in particular the need to increase recreational and leisure options aimed at families and people over thirty. New cultural and leisure options such as the provision of a new contemporary art gallery could be appraised as part of the development opportunity.

Social Impact

Whilst we argue that there are considerable regeneration benefits for Leicester in attracting a Large Casino, we are conscious that when the City Council consulted the public through the news media in early 2005 about a Regional Casino, whilst there was some support for the idea the majority of those replying were not in favour. Although the total response was very low, approx. 1% of the population of the city, the City Council acknowledges, and respects, the deeply and genuinely held moral views about gambling. of some of the objectors (when they do not seek to hide a more commercial stance).

For this reason we no longer intend to pursue a proposal for a Regional Casino. We believe that the balance of benefits obtained from a Large Casino, as part of a substantial leisure complex, outweigh more clearly any associated disadvantages arising from problem or addictive gambling.

We also note that, if industry estimates are correct, some 0.5% to 0.7 % of the population of Leicester are addictive or problem gamblers. This amounts to over 2,000 City people **already**, and perhaps another 6,000 from surrounding areas, experiencing some sort of harm from gambling. Of them, about 10% would be expected to seek some sort of help per year and about 240 to take up counselling in a year (a third of which will be from the city itself).

This is not only due to the facilities which exist in Leicester; we see a major threat arising from gambling on the Internet and mobile 'phones. This development will help us fund measures to address the gambling problem **that already exists** in Leicester. If the Casino development were to go elsewhere, we would suffer the disadvantages of addictive gambling without being able to fund the necessary support structures in the community.

In acknowledgement of those who have grave concerns, we have established a relationship, and intend to work closely with, the Responsibility in Gambling Trust (RIGT) and GAMCARE to set the national benchmark for social responsibility in gambling, by developing effective local services for treatment of problem gambling and education about the risks of problem gambling. We set out our proposals for this in the concluding section.

This approach, to manage the social disadvantages of problem or addictive gambling whilst refraining from prohibition of legal adult activity, is evident in our other comparable initiatives in place to manage social impacts from other activities, such as alcoholism. We recognise the synergies with existing treatment services provided in the area, rather than setting up a new service just for gamblers, which would need to be comparatively small. In addition, research shows that about 25% of problem drinkers are problem gamblers and vice-versa.

In 2004 the Report of the Night-time Economy Review Group was endorsed by Cabinet, and is supported by all political parties. The Report;

- Noted the importance of social and environmental factors in facilitating a diverse and vibrant city centre, and sets out the Council's intent to work with development partners to bring about a more diverse and vibrant city centre economy;
- Welcomed the proposed multiplex cinema (at the Shires West) and the proposed late opening hours initiative and develops other late night events;
- Committed the City Council to establish a city centre strategy and a strategy to both promote the night – time economy of Leicester and combat negative perceptions that many currently hold, both within the city and further afield;

The proposed development of a new Large Casino will enable us to work towards these objectives.

Need for Regeneration

The pressing need for physical and economic regeneration was formally recognised by English Partnerships who identified priority investment areas within the city in the 1990s.

In April 2001 this led to the formation of an Urban Regeneration Company for the City – the Leicester Regeneration Company (LRC), with funding from Leicester City Council, East Midlands Development Agency and English Partnerships.

Since that time Leicester City Council has taken a pro-active and strategic approach to establishing and implementing a co-ordinated regeneration programme for the city, embracing the objectives and interventions of LRC, Leicester City Council and major private sector and institutional projects.

Such an approach is to ensure compatibility, the maximisation of gross benefits and added value and the minimisation of conflicts and negative impacts.

Following extensive consultation the LRC published their Masterplan for Leicester's renaissance in 2003. Five key projects or major development schemes have been formulated and adapted into a coherent set of interventions. These make up the strategic framework of the Masterplan. The City Council fully supports the regeneration aims of the LRC and has incorporated its proposals into the City's statutory planning framework, reinforced by development frameworks and supplementary planning guidance for each of the intervention areas.

The Masterplan identifies factors responsible for Leicester's underperformance. It noted the importance of improving the usability and appeal of the City Centre for the future of the whole City. Three pre-requisites for change were identified:

- i) improving the usability and appeal of the City Centre to the consumer through redevelopment and a new and improved public realm;
- ii) improving the usability and appeal of the City centre to knowledge based service businesses. In particular the Masterplan identified a need to bring about a step-change in the City's office market through the supply of new grade 'A' space;
- iii) encouraging a new residential population in the City Centre.

The creation of a significant City Centre residential population is essential to give the centre appeal, ambience and vitality and to provide a customer base to support a diverse range of leisure, retail and cultural services.

A good City Centre residential offer will be capable of attracting and retaining high quality skills needed to attract and sustain investment from growth sectors of the economy. An improved retail core is a principal key, as the current flawed structure has created conditions that constrained the opportunities for new retailer representation. Consequently the diminished strength of the retail core has not encouraged a more diverse and appealing leisure market, which in turn affects the City Centre and residential markets.

The City's success in attracting high value added knowledge-based employers would be inextricably linked to its ability to appeal to that workforce. That is employers will locate in areas where they know they can attract a skilled workforce, and that the workforce will be attracted to areas that offer a good quality of life.

Firstly, it will be a significant addition to the evening leisure offer of the City. This will broaden the appeal of the city centre to the working population the Council is seeking to attract. The City Centre is currently dominated by a pub and bar culture mainly of appeal to a younger market. The provision of a more balanced evening economy and the encouragement of a broader mix of people to use the city centre in the evenings will not only create a more socially inclusive centre, but help to support the provision of a City Centre residential population.

Secondly, a Casino, as enabling development, has the potential to accelerate the provision of supporting facilities necessary to promote the continued growth of Leicester's critically important but fledgling grade 'A' office market. Although a developer has recently begun a first phase of speculative development in a New Business Quarter for the City, developer confidence remains very fragile.

One reason for this is the lack of support facilities for the corporate office sector in the City – specifically, the absence of good quality (four-star plus) city centre hotel accommodation and the lack of appropriate quality conference or convention centre facilities. Office developers have been reluctant to invest in the absence of such facilities, and hotel and conference centre operators will not invest without demand from the office sector.

The Council's discussions with prospective Casino operators lead us to consider that a Casino development could break this cycle of inter-dependence by providing a customer base for a good quality full service hotel. We understand there are a number of such hotel operators partnering Casino operators. Securing a Casino as a catalyst for a hotel and conference centre would provide a significant boost for Leicester's office market and the early delivery of a second much larger phase of the City's proposed New Business Quarter. This is essential to rebalance Leicester's economy; it is programmed for the next three years, require some £15m public investment and will create 4,000 new high quality jobs.

Thirdly, the scale of development and investment envisaged, including the Casino and related bars and restaurants etc. has considerable potential to uplift historically failing areas of the city centre. The weight of investment will be sufficient to unlock some historically difficult sites, unviable in the context of smaller piecemeal schemes, which would otherwise remain undeveloped and a drag on the surrounding area for years to come. The public realm works that would be associated with such an investment present an opportunity to reconstruct the urban fabric.

A Casino development has the potential to spread the benefits of trade to areas of the city currently regarded as tertiary. Underpinned by good design, public realm works and proper integration into the city centre, the Council will ensure that the benefits to the City of increased visitors to the city centre will be maximised and the effects of displacement and leakage minimised.

A Casino, as part of a wider leisure quarter within the city centre, has the potential to act as a gateway and link to other areas of underused land close to the city centre, which will encourage further investment and help maintain the momentum of particularly the city centre residential market. It is expected that the Casino site would be located within the inner city ring road, well served by existing public transport links and existing car parking.

Finally, the Casino and related leisure developments will directly create significant job outputs in their own right. Discussions with operators suggest that around 200-posts may be created directly by the gaming floor of a large Casino. When a hotel and related bars and restaurants are factored in, this figure is estimated to exceed 1,000 (full-time and part-time). The industry rate for a croupier is between £11,000 and £20,000. This compares well with average total household incomes in local deprived areas, of between £13,000 (St Matthews) and £16,000 (Spinney Hill)². In order to maximise the benefits from such job creation, we propose to target the long-term unemployed, and describe below a typical scheme we have previously negotiated with a major developer in the city.

Whilst significant in itself, it is considered that the principal benefits to the City will be drawn from the Casino as enabling development and its role as a catalyst to facilitate complementary major developments and the achievement of key established objectives set out in the Masterplan.

² CACI Household Income paycheck income data set 2004

A Casino would be located to;

- Provide a physical and visual anchor to encourage people to use more of the city centre.
- Draw benefit from and add value to other city centre projects and initiatives.
- Achieve appropriate, accessible and attractive links with public transport and parking provision, to encourage sustainable travel.
- Encourage people to extend their visits to the city centre by linked trips,
- Encourage the regeneration of declining and underperforming areas of the city.
- Encourage pedestrian flows along key routes to create vitality and help create a critical commercial mass.
- Deliver complementary uses that would create interaction between internal activity and the external environment.
- Increase the safety of the public realm and pedestrian routes by increasing natural surveillance and observation.
- Raise the quality of the built environment.
- Help to physically and visually link communities and areas together by providing a common focal point and facility.
- Encourage a wider mix of people to visit and use the city centre, particularly in the evenings.
- Provide a facility to increase and sustain the attractiveness of city centre apartment living.

In summary, we believe the regeneration benefits from the bid would be:

- A substantial uplift in investment value in excess of £100 million (as has happened already in the vicinity of the Performing Arts Centre); this would bring investor confidence to an area identified for regeneration;
- The project (including associated leisure development) would extend the City Centre night-time offer with live music, bars/ restaurants and a regulated gaming floor
- A landmark, attractive building
- A minimum-4 star hotel
- Other facilities to meet the needs of the City, which will be identified with the eventual operator and paid for via developer contributions
- Up to 500 jobs and careers

Willingness to licence:

Two scrutiny committees discussed the regeneration benefits of a Regional Casino in December 2004.

The Leisure & Environment Scrutiny Committee (which scrutinises, inter alia, Licensing) of 1 December 2004 noted that the issue of support for a Regional Casino in Leicester should be referred to Cabinet and to Full Council.

The response of the Strategic Planning and Regeneration Scrutiny Committee of 15 December 2004 supported, in principle, the development of a Regional Casino, and recommended that the item should be taken to Full Council for a wider debate

The City Council's Cabinet met on 20 February 2006 and in a majority decision resolved that a prospective operator be invited to meet Members and officers, with a view to working up and submitting a proposal for a Large Casino to the Casino Advisory Panel.

As stated earlier we no longer intend to pursue a proposal for a "Regional" Casino. We believe that the balance of benefits obtained from a Large Casino outweigh more clearly any associated disadvantages arising from problem or addictive gambling, and this view has attracted support from the Cultural Strategy Partnership and the Safer Leicester Partnership (SLP).

Chief Superintendent Ian Stripp, in his capacity as the Central Area Police Commander and as Vice Chair of the Safer Leicester Partnership (CDRP) comments;

"The Casino will not therefore be a stand alone premise but is part of a careful integrated new build introducing a diverse range of facilities, programme of premises e.g. restaurants, cafes etc, as part of reinvigorating the City. I see this comprehensive regeneration development as part of the City Blue Print and will draw in additional visitors to the City as part of the late and night time economy. Casinos are already operating within the City and elsewhere in the Country and therefore their role in the City economy is understood. I will be working with the SLP to consider the impact of these developments on the City. I am pleased to hear that there are, as part of the proposal, some initiatives the City Council are developing with partners around gambling and the misery associated with those who become indebted. These initiatives are welcomed to ensure indebtedness is tackled and ... I understand this will be a first for Leicester".

Probability of implementation

Studies of the retail economy of Leicester City Centre suggest that it is dominated by daytime visitors from this hinterland, who are mostly work commuters. Figure 1 (below) shows this extensive retail catchment area. Whilst the City Council is keen to work with retail traders to encourage these commuters to stay longer in the city centre, and the proposed new development would undoubtedly help to achieve this, in the longer term there is no doubt that new evening visitors need to be attracted from the same areas. In a survey of 1,600 people on a night out in Leicester, Experian³ found that at present 90 % had travelled 5 miles or less.

The City Council believes that there is a considerable potential evening market for visitors to the City Centre, which is not at present being addressed. City Centre projects already under construction, for example the Shires West extension with a John Lewis store and multiplex cinema, and of course the Performing Arts Centre, both opening in 2008, will start to build a Regional attraction. A leisure complex including a Large Casino will add substantially to this offer. Our early discussions with casino operators suggest that they are attracted by this synergy, and would be very interested in working up a substantial scheme.

A drive-time analysis centred on Leicester shows that journey times up to 60 minutes would bring in the following further numbers:

Travel-time Zone	Sum of residents in travel-time zone
15 mins	665,554
30	1,300,826
45	3,238,024
60	835,278

Table 3: Population by Journey time (refer to Figure 1)

If we were able to tap into this market, then there would be a considerable shift in the character of the night-time economy in the city centre, particularly in the weekends. Our existing hotel operators already report substantial rises in room occupancy during cultural festivals, and now increasingly in connection with special events held at the National Space Centre. A Large Casino would add to the short break attraction of Leicester.

³ Big Night Out, 2006

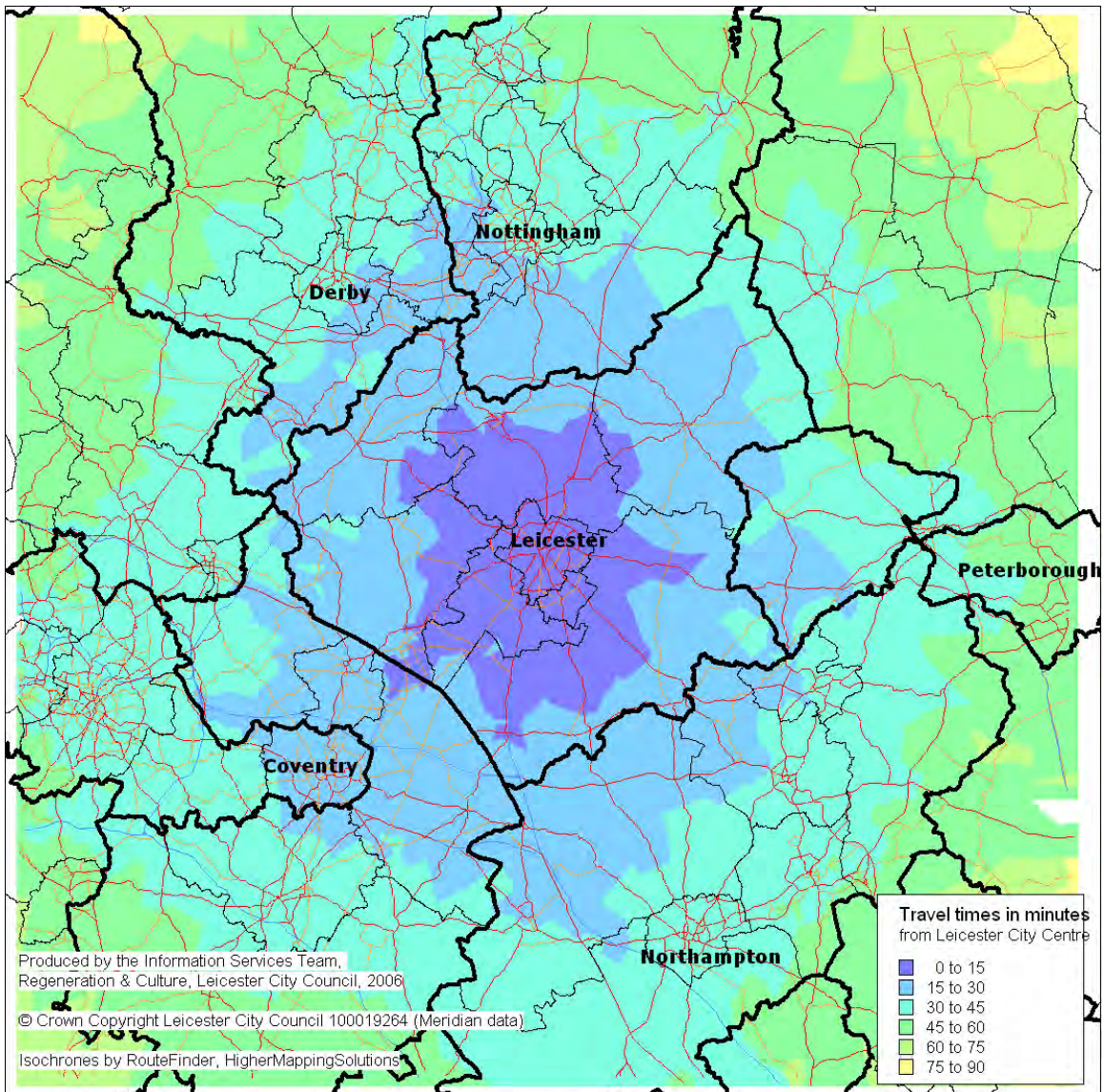


Figure 1: Drive times in a 120km square centred on the City Centre.

The Catchments

The following maps show the core, secondary and outer catchments for each of the five sub-regions. In the case of the Three Cities sub-region we have mapped each of the three cities, Nottingham, Derby and Leicester due to their influence in their own sub-region, across the East Midlands and to a certain extent, beyond the regional boundary.

Leicester has a wider catchment when compared to Derby, and although to a lesser extent, the city's catchment is also skewed. The catchment penetration to the north of the city is restricted, largely due to Nottingham (Figure 2).

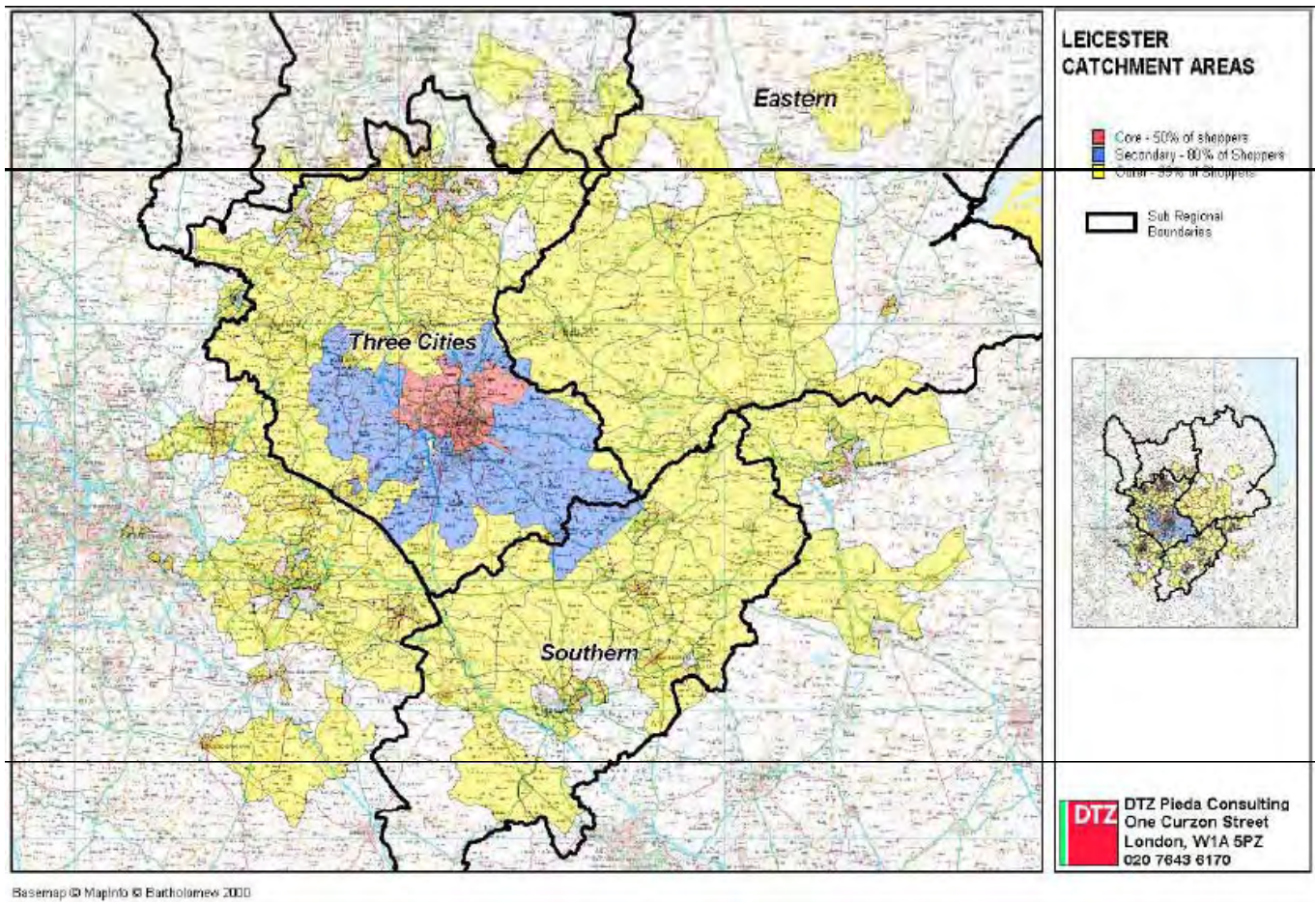


Figure 2 Three Cities Sub-Region – Leicester Catchment
East Midlands Regional Assembly - Revised Retail Capacity Assessment
Technical Paper - June 2005

Existing facilities for gambling in Leicester

There are currently three casinos in Leicester, one with 21 tables, one with 11 and one with 10. It would be a fair assumption based on comparable cities that another one or two casinos may be licensed under the 1968 Act. There are around 90 bookmakers, and three premises are licensed to provide bingo.

Responsibility for licensing Amusement With Prizes (AWP) machines in licensed premises has recently transferred from the Magistrates to the City Council. This is a gradual change, with licences being updated upon renewal and to date, Leicester City Council has licensed AWP machines in 11 pubs and 19 other premises. The current method of inspection and enforcement is a risk based system, with at least one visit a month. Additional visits may be necessary depending on complaints etc.

The Risk Assessment is based on a number of factors, including whether the casino is run by a group or is independently operated, and Premises Checks include whether gaming is fair (e.g., using full packs of cards, gaming machines paying out the correct percentage, tables are maintained properly), whether 'quality' people are on the door, etc.

The conduct of individuals on the premises is governed by the Gambling Commission, which issues certificates to staff and restricts their conduct at work and away from work. People are regularly removed from the industry by the Gambling Commission if they don't meet the stringent requirements of the industry.

There are no perceived problems experienced with existing casinos, in fact the casino industry is basically very well run, due partly to the tight inspection regime.

In order to test for changes in social impacts if a new Casino were to be licensed, we could monitor attendance records, which would give some indication, but each case would need to be analysed on its own merits. Should Leicester secure a Large Casino license, we will carefully monitor any evidence of negative social impacts so that these can be managed.

Regional and Local Context

In a letter dated 24th March 2006, David Wallace, International Director of East Midlands Development Agency stated;

<p>"We would also give our in principle support for bids which were focussed on a regeneration zone, such as Leicester's Urban Regeneration zone, where a Casino could help achieve a step change in sustainable economic development".</p>

Regional Spatial Strategy for the East Midlands (RSS8) (2005)

The guidance acknowledges that achieving an urban renaissance is key to a more sustainable pattern of development. It notes Leicester's relatively high concentrations of economic, social and physical deprivation within its boundaries. Paragraph 3.3.36 states that tackling this deprivation is a key regeneration priority. It recognises the role of the Urban Regeneration Companies (including the LRC) in delivering regeneration in key parts of the region.

Policy 5 "Concentrating development in Urban Areas" states that Development Plans should consider locating significant levels of new development in the region's Principal Urban Areas (PUA), which include Leicester. It states at paragraph 3.3.4 that PUAs have, amongst other things, the potential for a variety of choice of homes, enhanced job opportunities, modern

transport facilities, vibrant city, town and local centres to serve communities with high quality services, to promote identity and cohesion and to drive economic growth, and improved infrastructure including recreational and open space.

Policy 15 "Development in the 3 Cities Sub Area" states that Development Plans should support the continued regeneration of Leicester and the other cities, and maintain and strengthen their economic, commercial and cultural roles. This will be achieved by ensuring that provision is made for a mix of housing types, for employment land to meet need, to regenerate deprived areas, to enhance the transport links and accessibility, and:

"For retailing, offices, residential, entertainment and service uses within central areas, to provide for a mix of uses to support the vitality and viability of the city centres".

Derby, Leicester and Nottingham form the focus of this sub-area. Whilst they are strong engines of existing and potential growth, parts display relatively high levels of economic, social and physical deprivation. Nottingham, Leicester and Derby are the largest centres and should be encouraged to develop their pre-eminent roles for the Region. (para 4.2.15).

Policy 23 "Regional Priorities for Town Centres and Retail Development" states that parties within the region should work together on a sub-area basis to promote the vitality and viability of existing town centres. Action should be taken to promote investment through town centre strategies where towns are under performing. Development plans should include policies to bring forward retail and leisure development opportunities to meet identified need and prevent the development of additional regional scale out-of-town retail and leisure floorspace.

The Leicestershire, Leicester and Rutland Structure Plan (2005)

Underpinning the Structure Plan strategy is the need to sustain and increase the role of Leicester's Central Area as a regional centre by the provision of retail, leisure, cultural, tourist and other central area facilities, (Central Area and Shopping Policy 1: 'Existing Centres for Shopping and Other Services').

In relation to the location of major development, the overarching Strategy Policy 2A requires that land for development will be allocated in development plans in the first instance on previously developed land and buildings within or adjoining the central area of Leicester and the town centres of the Main Towns. Strategy Policy 2B which relates to the suitability of land for development is also pertinent.

Strategy Policy 9: 'Mixed Use Development' states that good quality mixed use will be promoted. It recognises that mixed use development is of particular importance in promoting vitality in the regeneration of urban areas. A Casino would address this policy by the provision of a mix of compatible land.

Strategy Policy 12: 'Regeneration Areas' seeks to ensure that investment benefits those suffering relative deprivation within the area. The primary focus of measures to achieve sustainable development will be the Leicester Priority Area.

Central Areas and Shopping Policy 1 states that the role of Leicester's Central Area as a regional centre will be sustained and increased through retail, leisure, cultural tourist and other central area facilities.

Leisure Policy 2 'Leisure and Tourism Development' states that provision will be made for, amongst other things, opportunities to create employment and achieve investment in the Regeneration Areas. It notes that the City of Leicester has a major role in providing leisure opportunities to serve the sub-regional area.

In summary, the structure plan policies would be fully supportive of a Casino.

City of Leicester Local Plan (2006)

Policy PS01: 'The Plan Strategy' seeks to facilitate the City's development economically, socially, culturally and environmentally. Key elements of the Plan's locational strategy include the creation

of an improved city centre and regeneration especially of areas of land identified within the Strategic Regeneration Area.

Policy PS04 'Strong City Centre Core' promotes development that strengthens and enhances the City Centre core.

Policy PS09 'Potential Development Areas' encourages development, regeneration and refurbishment allowing a range and mix of land uses in identified areas known as Potential Development Areas. The PDA locations reflect two of the major strands of the City's physical regeneration strategy: the regeneration of old industrial and commercial sites on the fringes of the City Centre and the regeneration of Leicester's waterways.

Policy SPA05 'Development of non-retail key city centre uses and facilities requires key city centre uses including leisure development to locate on appropriate sites within the City Centre.

In terms of transport infrastructure, any proposals would have to accord to the policies in the City of Leicester Local Plan, These policies seek to locate major land uses and traffic generators in areas that are well served by a variety of travel modes and reduce the reliance on the car.

In partnership with the LRC, the City Council are currently developing the Leicester City Centre Access Strategy (LCCAS). The aim of the LCCAS is to effectively co-ordinate the development of transport infrastructure in the city centre, together with delivery of the LRC Masterplan, associated development frameworks and other developments. As such, any Casino development will be incorporated within the LCCAS.

Community benefits

MORI Surveys have consistently identified that people would like to see more, and better, leisure facilities in the City Centre. The Casino will create a large number of new employment and other opportunities in the City of Leicester. One of the largest current developments here is the Shires-West Development. This will create a large demand for skilled workers in the construction and retail sectors. We have taken a pro-active approach with the developer and other key stakeholders including Connexions, Job Centre Plus, and Leicester Shire Economic Partnership to ensure that the local community is enabled to access these opportunities, whilst also ensuring that employer's training and recruitment needs are met. We propose to use a similar approach with any Casino operator and we will work collaboratively to:

- Pro-actively engage employers.
- Contribute to the collection of employment data and information.
- Deliver recruitment and training services to meet employer needs.
- Provide appropriate resources to drive the delivery of the strategy – including funding for recruitment activities and provision of facilities and established systems and processes.
- Target local communities within Leicester to enable access to employment opportunities, providing suitable advice and guidance.
- Provide skills, experience resources and support to drive and assist in the delivery of shared objectives.
- Promote up-skilling in the local community.

Practical activity will include:

- Mapping of local employment initiatives and training provision.
- Development of a Leicester Charter for Local Employment and training.
- Commitment by the developer of a core management team to develop a local employment and training strategy.

Unique characteristics

We are a cohesive and multi-faith community seeking to gain the regeneration benefits that such a large development would bring to our city centre, but we are determined to alleviate any negative consequences of such an initiative.

Leicester City Council seeks to explore, set and promote the national benchmark for social responsibility in gambling. This benchmark should be quite high and be used by the Government to guide local licensing authorities in this and subsequent rounds.

If successful we will consult further, but in general terms, our benchmark would:

- anchor the Casino within the social cohesion agenda , and
- offer long-term revenue support to counselling and outreach facilities.

We are already committed to funding adequate local treatment information and advice facilities for individuals affected by problem gambling, their families, and friends. The Council has therefore developed a partnership with GamCare, the leading national charity for the promotion of ethical and social responsibility in gambling, to introduce new services to support problem gambling in the area. This will include face-to-face counselling as well as telephone support, and local support organisations including Citizen's Advice Bureau will link into the new service. This pioneering partnership is among the first of its kind in the country and reflects the serious and committed approach that the Council has taken to managing this issue. GamCare will continue to work with us to develop our social responsibility programmes to ensure that they are effective and robust, irrespective of whether or not this application is successful.

Currently through the "Safer Leicester Partnership", we already manage initiatives tackling the social consequences of (in particular) young people consuming excess alcohol. This multi agency approach – including the churches and St. John's Ambulance - ensures a safe and legal environment in a non-judgemental and non-prescriptive way.

The proposals in this application build on our existing commitment. We would expect to negotiate through the planning process for a Casino, provision of new appropriately equipped premises (external to any Casino building) and an ongoing contribution towards the revenue costs of an enhanced service, with support from the Responsibility in Gambling Trust (RIGT) and training from GamCare to ensure the facility operates to national standards and offers a high level of care.

We believe that the operator should demonstrate that it operates to the highest code of ethical and responsible conduct in its operation, including robust policies and practice for identifying and dealing with problem gambling. The operator should demonstrate a commitment to social cohesion by supporting community events by providing gallery, exhibition or rehearsal space and by a long term revenue commitment to the major festivals that help glue our communities together. We would also require the operator to work with the "Safer Leicester" Crime and Disorder partnership, which deals with other public safety issues including alcohol abuse, drugs and prostitution. The City Council would develop an outreach programme to young people in association with the treatment services, and participate in school - based programmes being developed nationally by TACADE under contract to RIGT.

Finally, we would expect to see a commitment to sustainability, both in building design and construction, and in interviewing local people for the vast majority of jobs; we would work with the developer to set up a skills training scheme to build a suitable employment pool. In the longer term we would like to see a training academy developed to train new entrants into the industry.