

**CASINO ADVISORY PANEL
Formal Proposal Cover Sheet**

Please fill in all categories below:

Name of Local Authority:

Maidstone Borough Council

Main Contact:

Name: Richard Powell
Address: Maidstone Borough Council, London House, 5-11 London Road,
Maidstone, Kent ME16 8HR
Telephone: 01622 602362 Fax: 01622 602424
Email: richardpowell@maidstone.gov.uk

Name of title of Submitting Officer:

Name: Trevor Gasson
Title: Deputy Chief Executive

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

Large (state number)

Small (state number) 1

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

Large (state number)

Small (state number)

Type of Area

Maidstone is the County Town of Kent and centrally situated on the M20 motorway equidistant between London and the Continent.

Maidstone's resident population as shown in 2001 Census is approximately 140,000. In the previous ten years it increased by just 2% - the lowest growth in Kent and Medway except for Sevenoaks and far less than the National and South East averages.

At just 3.5% of the population, black and minority ethnic groups are not especially numerous in Maidstone. Neither is any particular group dominant, with a diverse range of nationalities within the 3.5% figure.

There are approximately 70,000 employee jobs in Maidstone. The distinctive feature of Maidstone is its low share of manufacturing which accounts for just 8% of jobs in the Borough against 12% in the County, 11% in the South East and 13% in Great Britain. In contrast, public administration and defence account for 70% more jobs in Maidstone than nationally. In a report commissioned in 2005 by Maidstone Borough Council Roger Tym and Partners stated:-

“What may cause concern is Maidstone's economic structure and workplace earnings. Maidstone is predominately a service economy, as is to be expected of a County Town. But the services of which it specialises tend to be comparatively low skilled and low paid. By the high standards of the South East Region (though not by national standards), Maidstone is comparatively deficient in the financial and business services activities that provide the best paid employment, while lower paid sectors including public administration are over represented. Workplace earnings in Maidstone are far lower than resident earnings, lower than the County, Regional or National averages and lower than most towns of similar sizes at similar distances from London.”

In terms of skills Maidstone's performance is close to the national benchmark, but inferior to that of the South East. 43% of working age population have nil or NVQ Level 1 qualifications, whilst 17% of the working age population have NVQ Levels 4 and 5 or above.

As a result of the effects of commuting to London, house prices in Maidstone are high. This means that residents of Maidstone who also work in Maidstone in the relatively poorly remunerated jobs discussed above, struggle to achieve prosperity. This has knock on effects in terms of absence of disposable income for local service and retail activity. It also expresses itself in pockets of deprivation particularly in social housing areas but also in the inner urban area immediately south of Maidstone Town Centre. Super Output Areas in Park Wood, Shepway and High Street Wards all exhibit multiple indicators of deprivation amongst the top 20% in the Country, and in the case of Park Wood, the top 10%.

The Borough measures the impact of tourism by the Cambridge Model and in the most recent survey the value of tourism to the town was £143 million. This represents a modest increase over previous assessments. The town's central location, successful town centre retail economy and attractive heritage and cultural features including

museum, theatre and medieval Archbishops Palace, all set within the “Garden of England” provide a solid basis for further tourism expansion. There are a number of “heritage” style hotels in character buildings in the town centre. There are proposals for an additional hotel at the Maidstone East Railway Station site which is to be redeveloped. There are four corporate chain hotels situated close to the motorway along the northern margins of Maidstone. In addition there are a plethora of smaller independent hotels, and bed and breakfast establishments both within Maidstone town and throughout the rural parts of the Borough.

The Borough Council is currently undertaking an extensive policy review in light of a recent decision to pursue designation as a New Growth Point following an invitation from the Office of the Deputy Prime Minister to apply. The existing Tourism Strategy provides for continued expansion of the market targeting in particular short stay visitors coming for one or two nights to enjoy both the urban and rural attractions of the Borough. This strategy is highly consistent with the addition of a Casino to the town’s portfolio of attractions. In addition, the town has an existing lively and diverse night time economy. The existing Maidstone Borough wide Local Plan provides for the continued development of Maidstone as a “24 hour city” and envisages further development of attractions. In response to the Licensing Act 2004 the Council has prepared a Licensing Policy which provides for additional restaurants, bars and other attractions within the safe capacity of Maidstone Town Centre, whilst at the same time seeking to control expansion of vertical drinking establishments that might be damaging to safe enjoyment of the hospitality industry in the town by virtue of antisocial behaviour associated with drink. Under the provisions of the Gambling Act 2005, Maidstone Borough Council is commencing work to prepare to undertake its new duties, including the preparation of a Licensing Policy. In this regard the Council works very closely with local Police and the Town Centre Management Initiative.

As described above there are pockets of deprivation in Maidstone and there is a sector of the community that is affected by a low wage economy in a high house price area, and for these reasons the Council is keen to raise prosperity. In addition, there remain within Maidstone town centre a number of opportunity sites awaiting redevelopment which currently have an adverse impact on the environment in high profile locations. The Council sees the possibility of casino development as a means of bringing one of these locations into constructive activity.

In terms of the test of social impact, Maidstone Borough Council, the Maidstone Town Centre Management Company, and the Maidstone Crime and Disorder Reduction Partnership, have proved very successful in managing adverse behaviour in Maidstone Town Centre. The “Maid Safe” initiative which is collectively delivered by these partners has effectively mobilised public and private sector partners across a variety of activities ranging from hardware such as CCTV and an integrated radio system, to social projects including offender reparations. As a consequence Maidstone Town Centre has obtained the British Council of Shopping Centres’ Safer Socialising Award, and the Safer Shopping Award. This tried and trusted partnership provides an excellent context into which to place a casino.

Social Impact

First and foremost the Council considers that a casino will extend the range of entertainments available in Maidstone Town Centre. This will be beneficial for the business, and visitor economy of the town.

Importantly, the casino will represent a different entertainment element that will extend the attraction of Maidstone Town Centre to a potentially new clientele, especially an older age cohort. This is in keeping with the Council's desire to achieve a representative cross section of demographics enjoying the leisure facilities of Maidstone Town Centre and avoiding domination by any one sector. The Borough Council has already given effect to this by promoting for example bowling, a multiplex cinema, and a plethora of additional restaurants, in addition to night clubs, bars and public houses within the town centre entertainment zone. This strategy is intended to ensure moderate and normal behaviour amongst the customers of the hospitality industry.

The Council has considered whether the presence of the casino will have significant ramifications for crime or antisocial behaviour. Subject to the careful formulation of licensing and planning policies, the Council does not envisage this to be likely. It does not perceive that casinos are generally associated with problems of this sort provided they are reputedly managed.

In addition, the Council has given consideration to possible social issues related to problem gambling or gambling addiction. In its consultation exercise (further described below) the Council specifically requested views as to whether the public saw this as a major concern. The Council fully endorses the wisdom of the Government's approach in providing only a limited first release of casinos whilst the potential impact in this area is assessed. Having taken these factors into consideration however, the Council is aware that there are in existence some 500 gambling licenses in Maidstone Borough. These range from individual slot machines through betting offices, to a significant bingo operation. The Borough Council is not aware of a major problem with gambling addiction related to any of these existing opportunities. The Borough Council does not think it probable that the provision of a casino, by itself, will lead to a sharp acceleration in issues related to problem gambling, given the ready availability of these existing gambling outlets.

The Council therefore believes that the economic opportunity represented by a casino, in particular to develop and consolidate the entertainment and hospitality industries in Maidstone, justify the limited risk of individual cases of problem gambling. However, this is a matter that will require to be kept under review and the Council will wish to be sure that through licensing conditions, management of any casino provided in Maidstone adopt a responsible attitude to individual cases and intervene to prevent the accumulation of unattainable debt.

The Council would seek to monitor the impact of a casino through a variety of mechanisms:-

1. Customer Surveys

2. Residents Surveys
3. Measurement of Crime and Disorder
4. In conjunction with Local Strategic Partnership colleagues, alertness to any increase in reporting of gambling related problems through the Citizens Advice Bureau, through health referrals, and through local financial institutions.

A comparable initiative is the management of Premises Licences for the sale of alcohol and public entertainment, particularly in Maidstone Town Centre. The work of the Maid Safe Initiative has been described above. In addition the Council has set up a Licensing Forum in conjunction with the Town Centre Management Company, to bring together operators of all such premises to discuss problems that have resulted from the running of their businesses and to consider collective solutions to them.

The Council anticipates that the casino will provide job opportunities for local people with associated training programmes. Indeed the Council would seek to require through its licensing powers appropriate training for all staff dealing with customers thus supporting the general improvement in the level of qualifications in the local hospitality industry. Through its New Growth Point proposal, the Council is seeking to release a portfolio of sites for development in Maidstone which provide a diverse range of new job opportunities including higher value office, computer, pharmaceutical, electronic activities as well as corporate headquarters. Associated with these is the prospect of the achievement of a new university campus and the development of major new sports facilities. All these initiatives are oriented to obtaining prosperity in Maidstone through the provision of a range of jobs. The casino will provide an additional source of such jobs, a modern opportunity for training, and a new and responsible employer, regulated by license.

As described above the Council will work closely with its existing partners in the Local Strategic Partnership including in particular the police and other Crime and Disorder Reduction Partners, the Primary Care Trust, and the Town Centre Management Company to assist in monitoring and delivering social impact policies.

Need for Regeneration

As set out above, there is a need to increase the prosperity of residents who work in Maidstone in light of the relatively low pay of Maidstone based jobs. The casino will provide a new source of income. It may well be that the peak operating hours of the casino (evenings and weekends) will lend itself to the provision of job opportunities to households where childcare is a day time problem. There are pockets of deprivation amongst the 20% worst in the country associated with social housing estates in Maidstone and the inner urban area of Maidstone Town Centre. Provision of new working opportunities for these communities is essential. The Council has commissioned a study by Urban Initiatives to investigate ways of regenerating the High Street area in particular that will report in July 2006.

In addition as set out above the Council has applied to the Office of the Deputy Prime Minister for New Growth Point Status which in return for maintaining accelerated rates of growth, should attract further investment in infrastructure, including transportation infrastructure to the south of Maidstone Town Centre. This will be

determined in the financial year 2007, and if provided will support the extension of job opportunities and visitor attractions in Maidstone Town Centre by enabling and facilitating easier access.

The Council envisages that a small casino will provide 100 new jobs for Maidstone residents within the casino itself. It also anticipates that there will be a multiplier effect in terms of business for local hotels, local restaurants, and other entertainment facilities including the cinema, night clubs etc. The Council has not undertaken a specific calculation of the GVA impact, bearing in mind it is applying solely for a small casino, but believes it will be a significant contribution to the programme for enhanced prosperity in Maidstone.

The location of the casino would be in Maidstone Town Centre consolidating the existing hospitality offer. This will be accessible from locations where residents are poorly endowed with employment prospects, namely the Parkwood and Shepway social housing estates, and the inner urban area south of Maidstone Town Centre. All of these are areas of high deprivation that will benefit from access to a new employment opportunity.

As set out above it is envisaged that the presence of a casino will extend the hospitality offer of Maidstone Town Centre, introduce a new client population to the Town Centre, and thereby promote “normal” civilised society conditions. This will have beneficial impacts on the operation of all aspects of business in Maidstone Town Centre whether by day or by night.

Willingness to Licence

At the meeting of Maidstone Borough Council Cabinet on 7 December 2005 consideration was given to the preliminary approach from the Casino Advisory Panel regarding the Council’s attitude to a casino in that area. The Cabinet resolved to respond without commitment at that stage, stating its general readiness to give further consideration to a casino in Maidstone. It also resolved to instruct officers to undertake a canvass of local opinion on the subject. Following the further request from the Casino Advisory Panel for firm bids, the Cabinet at its meeting on 8 March 2006 resolved

“that Maidstone respond to the invitation by formally registering its wish to have a small casino”.

Following further discussion of the matter at the Council’s Recreation and Community Services Overview and Scrutiny Committee, the Leader of the Council agreed to add to the Cabinet Resolution a qualification stating that this commitment was subject to such a casino complying with planning and licensing requirements.

This document gives effect to the Cabinet’s decision as set out above.

The Consultation required by Cabinet and taken into account in their decision making was undertaken during the period 10th to 28th February 2006. It utilised a questionnaire which was issued on line at the Council’s website. There was a press release and coverage in local/regional media. Radio interviews were undertaken with

Radio Kent, KMFM, and County Town Radio encouraging use of the on line questionnaire. All Councillors and Parish Clerks were contacted with the questionnaire by direct email. Licensed premises were contacted direct. Tourism businesses were contacted direct. Community groups such as residents associations were contacted direct.

There was specific consultation with the night time economy Business Forum which responded enthusiastically in favour of a casino. There was direct consultation with the Area Commander of the Maidstone and Malling Police who provided a neutral response neither supporting nor rejecting. There was direct consultation with the Council's Overview and Scrutiny Committee for Recreation and Community Services (prior to the Cabinet's decision) which recommended support for a small casino but that options for its location be left open at this stage.

The outcome of individual responses to the survey were 81 in favour of a casino, 90 against a casino, 22 not sure, and 1 not completed in a total of 194 replies. Accordingly the outcome of the survey was reasonably split, but with positive support from Overview and Scrutiny Committee, and from the Town Centre Management Initiative Business Forum. Location in Maidstone Town Centre was most supported. Views on the size of the casino were more diverse with 20% supporting a small casino, 15% a large casino and 20% a major regional casino. Other respondents supported all types or expressed no preference. Respondents were asked to identify positive and negative factors and score them on a scale of 1-5. The most positive factor was raising new revenue for the town, followed by job creation, attracting visitors, and regenerating neglected areas and properties. The most negative factors were causing social problems for the community, problem gambling or addiction, fear of increased crime, risk to children and vulnerable people.

A relatively short time scale for response has meant that the matter has not been considered by the Local Strategic Partnership as a collective group, although some partners have responded individually.

Copies of individual responses to the survey can be provided. However these are not capable of individual identification in terms of names and addresses.

As stated above, the existing local plan provides for expansion of the 24 hour economy in Maidstone and the position of the casino is consistent with this. The local plan is currently being reviewed and replaced by the Local Development Document, which will incorporate consideration of land use issues relevant to the development of a casino.

Probability of Implementation

The Council has not carried out a market demand analysis, again due to the relatively short period available for the formulation of responses.

The catchment area for a casino in Maidstone is considered to be at least consistent with the retail catchment area which is effectively the whole of Kent extending from South London to the coast. This area is within 40 minutes driving time of Maidstone Town Centre linked as it is by excellent motorway and rail connections. Thus the

immediate catchment area is 1.5 million people. A larger catchment of potential visitors coming to Kent and choosing to locate in Maidstone to enjoy the hospitality industry is also likely to accrue.

The Council's survey of public opinion indicated broad support for a location for a casino in Maidstone Town Centre. This would certainly be the most sustainable location in terms of transportation options by road, public transport and rail. The Town Centre is well served by an extensive and well established network of park and ride facilities. In the Town Centre a casino would join an existing substantial cluster of hospitality facilities including the major Lockmeadow Centre – a private leisure complex existing of a multi-plex cinema, night clubs and restaurants development on the river side. There is a significant number of additional licensed premises in Maidstone Town Centre which provide a wide variety of eating and drinking establishments. There is in addition bowling, bingo, the Council's Hazlitt Theatre and a major museum.

Maidstone Town Centre is connected by the A229 dual carriageway to the M20 motorway at junction 6. The drive time from the town centre to the motorway is 3 minutes. Maidstone Town Centre is also served by the London Victoria line to Ashford providing train services to London in one hour. The town centre is also served by Maidstone West Station providing connections to the Medway Towns via Strood and to London by the North Kent line. Maidstone Town Centre is the focus of a dense pattern of public transport bus services. It is well serviced by licensed taxi cabs. As set out above there is a park and ride system accommodating some 3000 vehicles with service at 12 to 15 minute intervals.

Current provision for gambling consists of a very broad variety of premises ranging from single slot machines, through licensed betting offices, to the significant Gala Bingo operation. There are no major trends evident in relation to gambling in the town.

There are no casinos existing either within Maidstone or to the Council's knowledge in other adjacent towns within Kent.

Maidstone's support for a casino relates to the benefits of the critical mass of leisure facilities that are offered in Maidstone Town Centre. This is already reasonably extensive and there is already a vibrant night time economy. A casino would be a logical extension to these existing operations, and would fit with the overall leisure offer. Furthermore, the established machinery of infrastructure, and supervision, that controls and ensures safe and secure conditions in Maidstone Town Centre, can accept the specific addition of a casino with little adverse impact. Indeed the prospects for securing additional support as a result of casino revenues for the operation of such services are a welcome factor. Maidstone Borough Council has specifically developed the leisure industry of the town centre, rejecting alternative solutions that would disperse such facilities to out of town locations as has been the case in many other towns. The Borough Council envisages that the investment in the construction of a casino in Maidstone Town Centre would be in the region of £20 million. The Borough Council has no plans itself to specifically invest in the provision of a casino and regards this as a matter for the market place. Nevertheless the Borough Council has a potential interest through its ownership of one or more

specific developable sites or premises. The Borough Council is not in any way committed to the use of these sites for a casino. The Borough Council would anticipate discussing with potential private sector partners their own proposals for the development of a casino in Maidstone and determining them on their merits. Such merits will include the benefits that may accrue for the infrastructure of the town, for its successful ongoing revenue costs of operations, and for the environmental improvements related to site development.

The Council has received communications from several casino providers indicating that in the event the Council wished to enter into a dialogue about casino provision, the companies would be willing to respond. At this point the Council has pursued no discussions with casino companies.

The Council expects that the provision of a casino would result in some increase in expenditure on gambling. However it anticipates that this will be drawn in from a wide catchment area and not specifically from the local community. Indeed it is more likely that local expenditure on gambling will remain the same, but simply be distributed through the casino in addition to other licensed outlets. The Borough Council does consider there is a possibility that expenditure of disposable income on leisure at the casino may reduce sums available for expenditure on other leisure activity in the town. Again however, the Council believes that increased visitor activity is more likely to balance or in total increase the quantity of expenditure in leisure businesses.

Regional and Local Context

As set out above the Council has made application to be considered as a New Growth Point. This requires the Regional Spatial Strategy to recognise the potential of Maidstone in this regard and in recent amendments to the draft Strategy, the growth potential to Maidstone has been recognised. The Borough Council considers that a casino is entirely consistent with the diversification of business and development activity that the Regional Strategy accepts for Maidstone. In addition the Borough Council has made representations to the Regional Economic Strategy promoting greater recognition for the development offer of Maidstone as a significant town in the outer South East area. The Borough Council believes that a casino is fully consistent with the diversification of business activity that the document promotes.

Community Benefits

Firstly the Borough Council envisages that development of a casino will provide an opportunity to achieve a high quality and sustainable building most probably in Maidstone Town Centre, at a site yet to be determined. This is likely to enhance the general environment as well as the economy of Maidstone Town Centre.

Secondly, the Council will be minded to seek benefits from the casino project to enable environmental improvements in the town centre to enhance its attractiveness, and to increase its ability to accommodate further visitors and business activity.

Thirdly the Council will consider whether additional provision can be made to support improvements to infrastructure, especially transportation facilities – to assist to unlock Maidstone and to promote its urban renaissance.

Fourthly the Council will be concerned to ensure that the casino contributes towards the working arrangements for the safe and secure management of Maidstone Town Centre both in terms of security systems such as CCTV, the night net radio system, and also in terms of social interventions including such proposals as it may bring forward for ensuring a civilised environment in Maidstone Town Centre by night.

Unique Characteristics

Maidstone has received through the Channel Corridor Partnership the offer of SEEDA resources to undertake a study entitled “Maidstone by Night”. This would examine the future development of the hospitality industry in Maidstone to ensure that civilised conditions prevail utilising examples of Best Practice from this Country and abroad. The additional element of a casino provides a further momentum to this important strategic study.

Maidstone’s unique characteristics relate to its County Town status – the most central and accessible location in Kent – and accessible also to London and the Continent to tourist visitors and travellers. It offers a mature town centre already handling a significant entertainment and hospitality industry with a very successful track record in terms of security, such that it has received awards including the British Council of Shopping Centre’s Safer Socialising Award for initiatives that it has undertaken. Finally, Maidstone has a track record of delivery, having recently completed the development and opened the Fremlin Walk Shopping Centre raising the town to a top 50 shopping destination in the UK. The Council’s team in conjunction with a variety of private sector partners ensured the delivery of this major investment. In short the town has a record of achievement and can be relied upon to deliver effective development that supports safe and sustainable futures for the Borough and Region.