

**CASINO ADVISORY PANEL  
Formal Proposal Cover Sheet**

Please fill in all categories below:

**Name of Local Authority:**

Westminster City Council

**Main Contact:**

Name: Bill Hodgson

Address:

Strategic Licensing Policy Manager  
Licensing Service  
14th Floor City Hall  
64 Victoria Street  
LONDON  
SW1 6QP

**Name and title of Submitting Officer:**

Name: Bill Hodgson

Title: Strategic Licensing Policy Manager

**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)    2

Small (state number)    0

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

Large (state number)    1

Small (state number)    1  
Or 1 large or 1 small

**WESTMINSTER CITY COUNCIL  
PROPOSAL FOR FURTHER CASINOS TO THE CASINO ADVISORY PANEL**

**Westminster should be recommended to the Secretary of State as an area where premises licences for two large or small casinos are permitted to be granted. This is to allow for the existing casino businesses to respond to competitive pressures and permit a degree of growth in an area in which the casino industry is well established.**

- **Type of Area:**  
The City of Westminster lies at the heart of London and encompasses many of London's iconic attractions. Its 230,000 residents are outnumbered every day by the 550,000 people of work in Westminster and other daily visitors that swells the day time population to over 1 million. It contains 9 million square metres of office space, 2.3 million square metres of shops and 1.1 million square metres of hotels (some 40% of London's total).
- **Socio economic data:**  
Westminster has a much higher than average proportion of people in the 'highest' socio-economic categories than London or England. Almost half of Westminster's residents aged 16- 74 have degrees or a higher qualifications. However, unemployment figures for Westminster's residents are higher than the national and London average at 7.7%.
- **Ethnicity profile**  
The diversity of Westminster's ethnicity profile is uniquely diverse in England. Almost half of Westminster's residents are White British, and another fifth White from outside the UK and Ireland. The other main ethnic groups in the City in descending order of size, are 'other', Black African, Irish, Black Caribbean, Indian and Chinese. Children in Westminster schools have over 90 different mother tongues.
- **Tourism**  
The City of Westminster is the gateway to the UK. Over 26million people visited the City in 2005 and over 90% of visitors spend at least part of their stay in Westminster. Tourism in Westminster generates £5 billion per annum to Westminster economy, similar to the economic value of tourism for the whole of Scotland and supports 65,000 jobs in the City. The City has 430 hotels, which makes up 40% of the hotel stock in London. The City has a wealth of entertainment and leisure venues including 38 theatres, 60 cinema screens, 17 casinos, a World Heritage site and over 3,000 eating, drinking and nightlife establishments. Westminster is at the centre of the London transport infrastructure and has both the busiest and most used underground stations. It also has 4 main line rail termini, direct rail connections to Heathrow and Gatwick and the International rail terminal at Waterloo is just across the Thames.
- **Need for Regeneration:**  
Outside of the core West End where much of the existing shops, and offices are located, lie areas of acute deprivation. Church Street and Queen's Park wards in the north of the city are London's two most deprived wards and are in the 10% most deprived wards in the country. The benefits brought by casinos could be directed at addressing these problems particularly if training opportunities and facilitated entry into jobs in casinos will be provided for individuals in these areas. The City Council is already working hard with partners to spread the opportunities that exist in the West End to these

marginalised communities and it will expect casinos to actively recruit staff from these areas.

- **Testing Ground for social impact:**

The City of Westminster contains the highest concentration of casinos in the UK. There are currently 17 casinos in Westminster, 75% of the casinos in London and 14% of the casinos in the UK. Under the size categories in the Gambling Act, of the existing casinos, one casino might qualify as a 'large' casino and ten as 'small' casinos. The others would all be below the minimum size. Westminster provides a unique opportunity to test the impact of introducing the new style casinos into an area that already has a large cluster of casinos.

## 2) **Social Impact**

The City Council does not believe that the creation of further casinos within its area will have negative social impacts. While some individuals who live in Westminster or come here to gamble do have gambling problems, it is unlikely that 2 new casinos in addition to the existing 17 casinos will appreciably increase these problems.

Westminster believes that the creation of 2 new casinos will have positive social impacts especially as the Council intends to ensure that maximising local employment and training opportunities are used as a criteria for the selection of the operators under the new regime.

The City Council also believes that the creation of new casinos will reduce crime levels. It envisages that the new casinos will be located within properties which have been operating large night club premises, several of which have caused the Council and its partners serious concern in terms of crime and disorder and public nuisance. The Council believes that re-using large night clubs premises as casinos will assist social cohesion as alcohol led premises have been the cause of tensions within areas with their residential and commercial neighbours, including other leisure uses such as theatres.

If the competitive effect of new style casinos in other parts of the UK is such that one or more existing casinos were to go out of use, then the premises could be used for a wide variety of uses within D2 Use Class without the need for planning permission. This Use Class encompasses many types of leisure use. As many of the casinos in Westminster are in relatively quieter areas of the West End this may lead to greater disruption as these other uses tend to be more "sessional" in nature they may be more.

There is anecdotal evidence of the importance of the multipurpose trips to Central London, which include gambling. Some companies providing luxury goods and services trade is highly dependent on the custom of visitors who are drawn to London by its gambling offer. The loss of such trade would have a disproportionate adverse effect on these businesses.

- **Westminster as a test bed for social impacts:**

In order for an assessment to be made by the Government of the operation and effects of new style casinos, it would be appropriate for some premises licences for new style casinos to be granted in Westminster. This is because it

is an area where casino operators have already shown themselves to want to develop new facilities and where the casino gambling industry will show long term growth. Small and large new style casinos in Westminster are likely to have very little adverse social impact, as casino gambling is already well established and accessible to residents and visitors to Westminster. It has become more accessible since membership can now be instant. Granting of premises licences for new style casinos in Westminster will also allow a realistic assessment to be made of whether such casinos will prove attractive to overseas visitors and tourists, as these are concentrated in central London.

- **Monitoring social impacts:**

The Prominent Licensed Premises List is produced every month by the Westminster City Council Intelligence Unit in order to assist in identifying those licensed premises (including licensed casinos) within Westminster that may be experiencing crime and disorder issues. It is presented to the Licensing Tasking Meeting, which was established to monitor premises licensed under the Licensing Act 2003 and is attended by representatives across the multi-agency spectrum who have an input in improving the crime and disorder situation associated with such premises.

For those premises that appear on the list there are a range of options available to the multi-agency team depending on the exact nature of the crime and disorder issues. It is hoped that such options, which might include monitoring, education, liaison and/ or enforcement, would result in premises being removed from the list over future weeks/ months.

The licensing monthly intelligence product has been developed over the past year and is likely to continue developing in the future with the addition of new variables which may indicate when licensed premises are experiencing crime and disorder issues.

- **Existing and planned relationship with relevant voluntary and public organisations which would support your social impact policies and activities.**

Westminster City Council has existing relationships with all of the employment and training organisations within the borough and would of course work with them and other partners to maximise the local economic of any new casinos.

- **Existing and planned job creation and training programmes, which improve the skill of and benefit local people**

The City Council and its partners have worked to establish a range of employment and training support agencies within Westminster, several of which serve specialist target groups i.e. old people. The two largest employment and training agencies are Paddington First and the newly established SW1st which both offer a comprehensive employment and training programme to enable local residents to get jobs in new developments and existing companies in Westminster.

**3) Need for Regeneration:**

**a) How do you expect your proposal to assist regeneration of your area and the wider area?**

Westminster City Council would expect any new casino to be located within central Westminster in the Central Activities Zone (CAZ), which is where commercial activities have been steered by planning polices for over thirty

years. This area includes Victoria where major development is anticipated in the next few years. The CAZ is excellently located in terms of public transport and would serve local, regional, national and international customers.

In conjunction with developers at Paddington, the City Council has established a local jobs agency called Paddington First to enable local residents to get jobs in the new developments in the area. In 6 years, the agency has placed over 4,000 local people into jobs in the area. A similar operation called SW1st has recently been established in Victoria. New casinos would be selected on the basis that they would employ local people through the use of such agencies. The City Council is working hard with partners to spread the opportunities that exist in the West End to marginalised communities within the north and the south of the City and would expect casinos to recruit staff actively from these areas.

The permitting of large and/or small casinos in Westminster would have only limited impact on the overall economy in Westminster as a whole, given its size and diversity. However, the siting of casinos in premises which have been the focus of disorder and nuisance will have localised effects in upgrading the area around them and encouraging investment in premises in the vicinity.

**4) Willingness to licence:**

• **Evidence of Council Support to licence**

The decision to bid for further casinos within Westminster was agreed by the Cabinet Member for Licensing and Community Protection, Cllr Audrey Lewis who signed a formal report on the 28<sup>th</sup> March recommending that:

“That the Casino Advisory Panel be informed that;

- (a) as Westminster is an established and expanding area for casino gambling, the City Council is not proposing to pass a resolution under Section 166 of the Gambling Act that no casinos be permitted in Westminster and
- (b) that it is seeking to be permitted to grant premises licences for two small or two large or one small and one large casinos during the initial period under the Gambling Act 2005.”

The fact that Westminster has the highest number of casinos in the UK and that planning permission has been granted in the last six months for a casino at Paddington also proves that Westminster City Council is supportive of the casino industry within London.

**5) Probability of implementation:**

• **A market demand for Casinos in Westminster:**

Westminster already has 17 operating casinos. (See appendix 1). There are three premises with casino licence applications pending with the magistrates. Two of these are only awaiting the completion of works for the issue of the licence. There are 8 planning applications which have been submitted to the City Council to create new casino premises, as well as proposals to extend two existing casinos. (See Appendix 2). While the existing casinos will be able to retain all the types of gambling that they enjoy at present and these rights will also be enjoyed by any casinos for which the magistrates grant licences following applications made up to 28 April, unless they can obtain a premises

licence under the Gambling Act 2005 they will all be restricted in the number of gaming machines they can provide currently twenty.

The number of casinos in Westminster had increased prior to the rush of applications following the prospects opened up by the Gambling Act 2005. The lifting of restrictions of a 24 hours qualifying period for membership and the publicity given to casino gambling by Internet gaming and to the passing of Gambling Act itself has increased public awareness of casino gambling. The 17 new style casinos which will be opened under when the Act comes fully into operation and the lifting of restrictions on advertising will undoubtedly further increase demand for casinos. The current spate of planning applications for casinos, while undoubtedly to some extent speculative, does represent the market's assessment of the likelihood of an increase in the take-up of casino gambling as has been witnessed in other countries where restrictions on gambling have been relaxed.

In order to allow the casino industry to continue to grow organically and to adapt to the changed circumstances when the Act comes into force it will be necessary for some casinos in Westminster to be able to secure new premises licences.

The City Council does not wish to see a complete prohibition on the growth of casinos in Westminster until the limits on casino growth are next reviewed. It is not bidding for a regional casino, but instead wants provision to allow for growth in the numbers of small and large casinos to meet in part the market's demand for new casinos in the centre of London.

- **Catchment area and customer base.**

Westminster has 75% of the casinos in London and 14% of the casinos in the UK. Many of these casinos in Westminster serve international gamblers playing for high stakes. They are attracted to gamble in Westminster by the quality of the facilities and the way that gaming is conducted and the other attractions of Central London. The custom of high spending gamblers is of considerable value to a variety of types of non-gambling business in Westminster. There are some indications that some of this customer base might be diverted to a regional casino with the loss of the high value spin-off expenditure that is unlikely to be captured by other British businesses. Other casinos in Westminster are more mainstream and appeal to people from all backgrounds who wish to gamble. It is generally anticipated that these more general and occasional gamblers will be strongly attracted to new style casinos.

- **The impact of competition on existing casinos (if any) and other leisure based activities.**

The City Council is not seeking to increase the number of casinos in Westminster for its own sake. However, it would not be in best interests of the gambling industry if Westminster, as the local authority area where the UK's Casino Gambling industry is most strongly established, does not have the capacity and flexibility to continue to grow. Particularly if its existing casino businesses were to suffer competitively from the new casinos permitted under the 2005 Gambling Act.

There are already a number of proposals from existing casino operators to expand or to relocate. This probably is to enable them to have increased

numbers of high value jackpot machines when new premises small or large casino premises licences can be granted under the Gambling Act 2005.

*Westminster should be allowed to grant premises licences for at least two casinos in the small or large categories under the Licensing Act 2005 to allow for the existing casino businesses to respond to competitive pressures and permit a degree of growth in an area which the casino industry is well established.*

It is equally important that the City Council has the ability to grant new casino licences in the next three years to be able to add to the variety and mix of entertainment on offer to visitors. Some areas of the City have become saturated with “alcohol led” entertainment premises. There are a number of large entertainment night-club premises in central Westminster that have been the cause of very serious concerns in terms of crime and disorder and of public nuisance. Casino proposals that replaced these uses would generally lead to a reduction in “cumulative impact” in these areas. In order to allow such substitution the City the Council needs to gain the ability to licence a limited number new casinos over the next three years.

- **Cluster of casino and leisure based activities.**  
Westminster obviously has an existing cluster of casinos and other leisure based activities within its Central Activities Zone Area. This cluster acts as a magnet for people wanting to undertake a wide range of leisure activities and due to its excellent transport links is a highly sustainable location for this type of activity.
- **Private sector investment**  
The investment required to establish further casinos in Westminster will be wholly delivered by the private sector without any need for public expenditure to facilitate it. The City Council and partners will obviously seek to maximise the local economic benefit of any potential investment.
- **Current level of investor interest.**  
As stated above there is considerable interest from the gambling industry in developing further casinos in Westminster prior to Gambling Act 2005 coming into force. Westminster had a steady stream of interest in new casinos prior to the enacting of the new Act.  
The City Council has not begun discussions with the representatives from the Gambling Industry on the basis that it will gain the ability to grant premises licences for new style casinos but it is expected that interest in new casinos in Westminster would be high due to its excellent location. It is of course as a planning authority dealing with the applications that have been made to it and continuing to advise casino operators who have not yet submitted applications. It does not have a financial interest in any of the sites where casinos have been proposed.
- **Anticipated gambling spend to change following the implementation of your proposal**  
The City Council would not expect gambling spend in Westminster to increase over the above the national trend of increasing spend.
- **Existing transport infrastructure**  
Westminster has excellent transport infrastructure that supports a day time population of over 1 million people. It has excellent tube and bus links around the borough and good links via rail to other areas in the South East.

Westminster also has close links to national and international rail and airport links.

#### 6) **Regional and Local Context**

The **Mayor's London Plan** sets out the strategic priorities for Central London. These include:

- Promote and protect the vital mix of culture, government, leisure and commerce
- Sustain, enhance and promote the unique scale and mix of activities and settings of the CAZ which form the core of London's wider offer as a world and capital city
- Promote and intensify retailing, services, employment , leisure

Westminster City Council believes that further casinos within its area will contribute to the objectives detailed above as they will further add to the excellent leisure offering in the city from within the CAZ.

#### **Westminster City Council Planning Context**

The City Council's Unitary Development Plan was drafted in the knowledge that the Gambling Bill would propose a degree of deregulation of casinos. Policy TACE 10 on entertainment proposals over 500 square metres is that they are only permissible in exceptional circumstances. The supporting text refers to this policy recognises that casinos differ from other entertainment premises in the way they affect residential amenity; their impact generally being lower although they operate throughout the night.

Casino proposals that replaced large night-clubs that have been the cause of crime and disorder and of public nuisance might be regarded by the City Council acting as a planning authority as being suitable exceptions to Policy TACE10, even if they involved greater floor areas.

From 6 April 2006, use as a casino will no longer fall within the D2 Use Class along with other entertainment premises but will require specific planning permission.

The casino applications that are currently before the City Council are in premises, which already have D2 use or are in hotels. Some applicants are claiming that casino use can be ancillary to the hotel and do not require consent.

## Appendix 1

### OPERATING CASINOS

| CASINO NAME        | ADDRESS  | OWNER                      | Gross<br>Floorspace<br>sq.ms | Table<br>Games | Gaming<br>machines |
|--------------------|--|----------------------------|------------------------------|----------------|--------------------|
| Barracuda          | 1 Baker Street W1U 8ED                                   | Gala                       | 628                          | 19             | 6                  |
| Clermont           | Clermont Club 44 Berkeley Square W1J 5AR                 | Grosvenor                  | 542                          | 6              |                    |
| Palm Beach         | Palm Beach Centre 30 Berkeley Street W1J 8EH             | Stanley Leisure Group      | 963                          | 24             | 10                 |
| The Sportsman      | The Sportsman Casino 14-22 Old Quebec Street W1H 7AF     | Gala                       | 1268                         |                |                    |
| Aspinalls          | 27 Curzon Street W1J 7TH                                 | Independent                | 820                          | 17             |                    |
| Crockfords         | Crockfords Club Worcester House 30 Curzon Street W1J 7TN | Stanley Leisure Group      | 1348                         | 7              |                    |
| Grosvenor Victoria | Grosvenor Victoria Casino 150-162 Edgware Road W2 2DT    | Grosvenor                  | 2816                         | 36             | 10                 |
| Les Ambassadeurs   | Les Ambassadeurs Club 5 Hamilton Place W1J 7ED           | London Clubs International | 2139                         | 21             |                    |
| Napoleon's         | Queens House 1 Leicester Place WC2H 7BP                  | Independent                | 324                          | 17             | 21                 |
| Rendezvous         | 14 Old Park Lane W1K 1QS                                 | London Clubs International | 1840                         | 18             | 8                  |
| The Ritz Club      | The Ritz Club - Casino 150 Piccadilly W1J 9ES            | Independent                | 1000                         | 15             |                    |
| Golden Horseshoe   | Gala Golden Horseshoe Casino 79-81 Queensway W2 4QH      | Gala                       | 953                          | 29             | 6                  |
| Golden Nugget      | 24 Shaftesbury Avenue WC2H 8AA                           | London Clubs International | 3133                         | 24             | 6                  |
| 50 St James        | 50 St James's Street SW1A 1JT                            | London Clubs International | 2601                         | 19             |                    |
| Colony Club        | 24 Hertford Street W1J 7SA                               | Stanley Leisure Group      | 303                          | 13             |                    |
| Gala Piccadilly    | Princes House 190 - 196 Piccadilly W1V 9HA               | Gala                       | 1321                         | 15             | 6                  |
| Hard Rock          | 3-4 Coventry Street W1D 6BL                              | Grosvenor                  | 1574                         | 12             | 20                 |

**Appendix 2**

| CASINO APPLICATIONS          | ADDRESS                                  | PROPOSAL   | FLOOR SPACE SQ.MS- | COMMENT            | CASINO LICENCE        |
|------------------------------|--|--|--------------------|--------------------|-----------------------|
| The Square                   | 5-6 Leicester Square                     | Use of Equinox nightclub as casino   |                    |                    | subject to completion |
| Hilton London Paddington     | 146 Praed Street W2 1RL                  | Use of part basement and ground floor  | 1205               | Permitted          | Subject to completion |
| Thistle Hyde Park Tenant     | 90-92 Lancaster Gate                     | Use of part of the hotel for a casino.   | N/A                | Pending            |                       |
| Grosvenor Casinos            | 150-162 Edgware Road                     | Extensions, erection of an additional floor  | 1220               | refused            |                       |
| Simon Davey - Fox Club Poker | 45 Clarges Street                        | Use of building as a casino  | N/A                | to be re-submitted |                       |
| Patmore Ltd Gala Leisure     | 71 Queensway                             | Use of 1st, 2nd and 3rd floor Casino space as a separate office                                | N/A                | loss of space      |                       |
| Napoleon's Leisure           | Queens House<br>7-9 Leicester Square     | Use ground floor as extension to existing basement casino (hearing for 27 <sup>th</sup> April) | 1187               | 747 sq.m extension |                       |
| London Clubs MGT             | 6 Hamilton Place                         | Use of the basement and ground floor with casino at 5 Hamilton Place                           | N/A                | Pending            |                       |
| London Clubs Management      | Grosvenor House 30-36 Upper Grosvenor St | Use of part of existing hotel as a casino.   | N/A                | Pending            | Adjourned             |
| Thistle Victoria             | 101 Buckingham Palace Road               | Use of part basement and ground floor of existing hotel to casino use                          | 1685               | Pending            |                       |
| Guoman Cumberland            | Cumberland Hotel Great Cumberland Place  | Use of part lowest level basement of existing hotel for casino use                             | 3600               | Pending            |                       |
| Ladbrokes Park Lane Casino   | London Hilton 22 Park Lane               | Use of part ground, 1st and 2nd floors as a casino (Class D2)                                  | 1175               | Pending            |                       |
| Mcaleer & Rushe              | Swiss Centre 10 Wardour Street           | Construction 11 storey with other uses and casino  | 1190               | Pending            |                       |
| United Leisure Gaming        | Hippodrome Cranbourn Street              | Change of use of night club to casino.   | 5766               | Pending            |                       |

**COUNCILLOR AUDREY LEWIS**

**CABINET MEMBER FOR COMMUNITY PROTECTION AND LICENSING**

Tel: (020) 7641 2015  
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31<sup>st</sup> March 2006

Mrs Jane Bransby  
Secretary to the Casino Advisory Panel  
DCMS  
2-4 Cockspur Street  
London SW1Y 5DH

Dear Jane

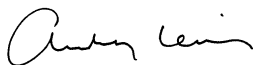
**Westminster City Council's proposal for further casino's**

Please find enclosed, for your consideration, Westminster City Council's proposal for two further casinos within our Borough.

A large number of planning applications for casinos have been submitted to the City Council recently, all of which are currently being considered. There has also been growth in the number of casinos within Westminster over recent years, prior to the enactment of the Gambling Bill. I believe that allowing Westminster to have further casinos in the next three years would enable existing casino businesses to respond to competitive pressures. It would also permit a degree of growth in an area in which the casino industry is already well established. In addition, it would allow the City Council to harness market forces to assist us with dealing with problems caused by a large over concentration of large drink led premises.

Please feel free to contact my office or me directly, on the number above, if you require any further information. I look forward to hearing from you in due course.

Yours sincerely,



Councillor Audrey Lewis