

The Case for a Regional Casino in Greenwich

Short Statement for the Casino Advisory Panel

**Greenwich Council
10 August 2006**

Introduction

This statement sets out the case for locating Britain's first regional casino in the London Borough of Greenwich. The main arguments are :

- Greenwich Peninsula is at the pivotal point of the redevelopment of the Thames Gateway
- The potential of The O₂ with the regional casino as an entertainment district to drive regeneration locally and sub regionally
- The ability to capture social and economic benefits for local people
 - 4,600 jobs
 - £187m. GVA contribution to the London economy
 - total private sector investment of £600m.
- The impact of the casino in building the national and international tourism dimension of Greenwich and London as a whole
- The importance for Greenwich, as an Olympic host borough, of the overall development in providing a legacy from the 2012 Olympics and Paralympic Games, leading to national recognition and appeal

The location

Greenwich is located at the heart of the London Thames Gateway and strategically placed within Europe's largest and most ambitious regeneration programme. The scale and pace of change here are unprecedented. By 2016 an additional 120,000 homes will be built, an increase in population equivalent to a city the size of Leeds. In Greenwich alone 23,000 new dwellings will be built.

The proposed site for the regional casino is The O₂ (formerly the Millennium Dome) on Greenwich Peninsula, a new urban quarter and the largest development area in Greenwich. It is also a perfect strategic match with regional planning policy, located as part of a defined leisure destination. The Peninsula will become a major new town centre in Greenwich, with 10,000 new homes, a new entertainment district, and nearly 500,000 sq. m. of commercial space that will create 24,000 new jobs. Also included are schools and higher education institutions, health facilities, parks and open spaces, and new transport infrastructure.

The role of The O₂ development

The development of The O₂ is well underway and will provide an arena seating up to 23,000 people opening in July 2007, a cinema, exhibition space, bars, restaurants and shops, and a 320 bed world-class hotel designed by Richard Rogers. Since submitting the bid, firm interest has been shown in building a second hotel with 400-500 beds. However, only part of the scheme will be developed without the casino – there would be no exhibition space, no theatre, no hotels, and a smaller range of outlets. The full scheme is dependent on the inclusion of the casino as an integral and complementary leisure activity, increasing footfall and cross-funding other elements of the scheme including the hotel, exhibitions and theatre space. The full scheme,

with the regional casino, creates a high quality cluster of leisure and entertainment attractions that will draw London's tourism eastwards and create a sustainable tourism legacy from the 2012 Olympic and Paralympic Games. With the regional casino and associated development, it offers the certainty of sustainability that no other use could deliver. Without the full development, the site would be predominantly housing - we will not have the sense of "place" or "destination" needed to drive regeneration and employment.

The need for regeneration and employment

The regeneration of the Thames Gateway will provide employment opportunities for both existing and new communities. It is imperative that local people are in a position to benefit from these opportunities, especially in Greenwich and the neighbouring Boroughs of Tower Hamlets, Newham, Hackney, Waltham Forest, which have the worst employment rates in the UK. The 4,600+ jobs created from the proposed scheme will contribute a critical mass of economic and employment benefits of a scale needed to help address historic deprivation, unemployment, and health inequality in London's east end and waterfront communities.

In recognition of the scale of need in the area, the five Olympic host Boroughs – Greenwich, Hackney Newham, Tower Hamlets and Waltham Forest - have been selected as one of the Government's City Strategy Pilots, aimed at raising the current employment rates in the area which are well below the national average. In the five Boroughs, there are currently 37,000 JSA claimants, 67,000 sick or disabled people and 34,000 lone parents claiming benefit. It is also estimated that there are 138,000 workless people not claiming benefit.

The economic and social impact

The economic impact of The O₂ development will be considerable, generating employment and economic outputs in the operational phase of the development as well as during construction. The inclusion of a casino and a high-quality hotel would almost double the expected number of operational jobs generated compared to what could be expected if the casino and associated hotel were not built. The number and quality of the new job and business opportunities which this development offers, are crucial in tackling the high levels of worklessness in the Borough and the wider Thames Gateway.

Greenwich Council has had acknowledged success in getting the best for its community – from the delivery of regeneration programmes, funded through the Single Regeneration Programme, Neighbourhood Renewal and European funding, as well as its imaginative negotiation of Section 106 agreements.

Nearly £150m. in total has been secured to date through S106s, including more than £32m. for training and employment delivered through our Greenwich Local Labour and Business (GLLaB) scheme set up in 1996. GLLaB has helped over 7,000 local people into jobs, with nearly half of these from a black or ethnic minority group. GLLaB's experience from the original Millennium Dome development, where 40% of

all jobs on the Peninsula and 50% of New Millennium Experience Company (NMEC) operational jobs went to local people, is the benchmark against which future success will be measured. It provides a framework which we know delivers, and which is now being used as a blueprint for the Olympic employment legacy work.

Other community benefits have been secured by the Council through SI06 including transport, community facilities, education, health care, environmental sustainability, and parks and open spaces.

The Council is aware of the potential impacts of the proposed scheme and are committed to mitigating the risks which might arise. The Council agreed unanimously at its meeting on 26th July 2006 to set up a multi agency group, which will be headed up by the Chair of Greenwich PCT, to identify and address the social impacts of gambling of all types. The group will involve the Faith Centre, managed by the Greenwich Peninsula Chaplaincy, that will soon have a permanent home on the Peninsula close to The O₂, where all faith communities will be able to meet and worship.

The value of tourism

The benefits to be gained for the leisure and tourism sectors both locally and in the wider region are one of the key arguments in the Council's case for a regional casino. The O₂ development will build on Greenwich's existing visitor offer which includes the Maritime Greenwich World Heritage Site, the Royal Arsenal and Eltham Palace. Tourism is currently worth £327m. to the local economy, forming part of a new tourism hub outside Central London. Dispersing the benefits of tourism outside the centre is a key theme of the regional tourism strategy.

As a major world city, London is the hub of UK tourism, attracting 150m. day visitors and 26m overnight visitors a year. Greenwich is an important component of London's visitor offer and achieves a considerable share of day visitors, experiencing a rise in visitor numbers since July 2005, bucking the London trend. However overnight stays at only 8% are low compared with the 15% achieved for London as a whole. With the casino and associated hotels, more overnight and longer stays will be generated to the benefit of the local area.

Accessibility

Tourism has benefited from substantially improved transport infrastructure in and around the region, with the Jubilee Line Extension and the Docklands Light Railway dramatically improving access to the area from central London, London City Airport as well as London's other international airports. These, along with proposed developments such as the Greenwich Waterfront Transit, the Thames Gateway Bridge, the provision of new river services and increased capacity on the Jubilee Line, will further improve access. The site will also be easily accessible from Stratford International station and Eurostar services. Crossrail, with nearby stops on the Isle of Dogs, and potentially Woolwich, will increase accessibility from both east and west of the capital. However, the success of The O₂ is not dependent on the new line.

The deliverability of the scheme

The O₂ development is of vital strategic importance for revitalising the economy of Greenwich, the Thames Gateway and London; a high priority for the Government and London's Mayor. For this reason the Mayor of London supports Greenwich as location for the regional casino. We believe Greenwich offers a strategically significant and dynamic location for a regional casino, and because of this a unique testing bed for social impact. The O₂ is under construction – it is not a hypothetical scheme. We are ready to deliver quickly and have mechanisms, partners and systems in place to deliver an exemplary and innovative regional casino scheme.