

## Responses to Casino Advisory Panel Questions – Dumfries

### 2 SOCIAL IMPACT

**What progress has been made to secure the views of interested parties and also in developing policies to counter any potential social negative impact?**

- INTERESTED PARTIES

The following have been contacted for their views on a casino at Stranraer, what impact this might have on their services and how they thought additional demand for their services might be addressed. Please note that a local Church of Scotland representative, during a telephone discussion, confirmed his church's opposition to gambling and confirmed the addressee to whom written contact should be made. That person was written to but has not offered a response to date. See **Appendix 1**.

- Church of Scotland
- National Health Service Dumfries and Galloway (Public Health Practitioner)
- National Health Service Dumfries and Galloway (Health Improvement Programme)
- Turning Point Scotland ( Dumfries and Galloway Branch)
- Citizens Advice Bureau Dumfries and Galloway (Stranraer Bureau)
- Alcohol and Drug Support (South West Scotland)
- Dumfries and Galloway Constabulary
- Women's Aid and Wigtown Council of Voluntary Service

- DEVELOPING POLICIES TO COUNTER NEGATIVE SOCIAL IMPACT

Under Community Planning arrangements and procedures, Dumfries and Galloway Council is coordinating a working group of appropriate service deliverers, with a view to developing a joint policy for dealing with negative social impacts that might arise from a casino at Stranraer. Once developed, that policy will be proposed for formal adoption. The methodology used to arrive at an appropriate policy will be based on use of Inequalities and Diversity Impact Assessment tool, currently used by the Health Service and an Integrated Impact Assessment tool being finalised by the Council.

- POSITIVE SOCIAL IMPACT

Dumfries and Galloway College, which has a Stranraer campus and the Dumfries and Galloway Lifelong Learning Partnership, have expressed their willingness to develop and deliver specialist training linked to casino operations, with the possibility of establishing a national training centre.

### 3 NEED FOR REGENERATION

**Given your deprivation and unemployment/unemployment rankings v other competitors, why do you place such emphasis on regeneration?**

Any focus on the traditional deprivation or unemployment related indicators for rural v urban areas will result in difficulties in rural areas demonstrating relative need for investment. The data presented in the original application unsurprisingly does not stack up against the dense data sets presented by the more urban competitors for a licence.

There exists, however, concern within rural/semi-rural local authority areas that the term “Regeneration” has become inextricably linked to the notion of concentrated urban-type deprivation. Rural deprivation, while pervasive in our economy, is much more dispersed and is consequently more difficult to evidence spatially. That is why our strategy on rural regeneration is based on tackling economic, social and environmental factors and in converting our economy from one still reliant on primary sector industries and with a low wage economy profile, into a dynamic service based economy focussing on the high value end of the market. **The approach is therefore opportunity based as well as needs based.**

Where, however, the bid does present a strong case for investment is in the catalyst/leverage effect which the bid presents and the **overall impact** a casino would have in effectively contributing to the turnaround of a **whole town** and its surrounding area/economy. This issue is covered in the section on Additionality below.

It is also worth re-iterating that the Stranraer Project (including a Casino) is not a standalone project but sits alongside three other (joint Council/Enterprise Company) high priority Regeneration Projects across the region, cumulatively aimed at the regeneration of the whole area. All of these issues are detailed further below and cross-referenced in the appended EKOS study. Particular attention is drawn to the approved Neighbourhood Renewal Programme, a £63m package being driven by the local authority which will see at least half of this budget invested in demolition/new build of the social housing stock in the town of Stranraer (over the same time frame as the Waterfront Project).

- A LOW WAGE ECONOMY

The basis of rural and coastal areas traditional employment patterns based on land use has changed with a decline in farming as a major direct and indirect employer. Local fishing industries have declined apart from specialist inshore catches.

There is a migration of retirees to rural areas.

The second home demand and the flexibility now available though the internet of working outside urban areas has had a significant effect on rural house prices as there is a policy presumption against new housing in the countryside.

Although this is being addressed through 'affordable housing' initiatives the cumulative effect is one of an aging population in an area with limited career and employment opportunities for young people – resulting in a migration of those people from the area. The historical industrial development pattern no longer applies and the emigration of potential workers, together with the relatively small population, dispersed settlement pattern and relative remoteness works against the likelihood of new major industrial development

The need for regeneration is therefore partly rooted in the fact that Dumfries and Galloway has long been disadvantaged by a low wage economy. The CACI Paycheck Survey 2003, which is the most recent data, confirms average income in the Stranraer Travel To Work stood at £ £21,413 per annum, **20% lower than the Scottish average of £26,474 and 27% below the UK average of £29,000.**

The structure of the local economy, with a high dependence on declining traditional rural industries, few professional and managerial opportunities, a business sector in which micro and small businesses predominate and employment at the lower end of the service industries militates against growing out of the low wages trap.

The re positioning of Stranraer as a marine and leisure destination is aimed at transforming the local economy by attracting the more affluent visitors and tourists and the businesses that support the higher end of this market, such as marina providers, marine engineers, hospitality and leisure providers.

- THE REGENERATION APPROACH IN DUMFRIES AND GALLOWAY

The Stranraer and Loch Ryan Waterfront Regeneration is one of Scotland's top ten Scottish Enterprise National projects.

In Dumfries and Galloway it is one of four major partnership initiatives, the others being:-

- Dumfries Town Centre Regeneration
- CoReS – the Gretna / Lockerbie / Annan Corridor Regeneration Strategy initiating from the closure of Chapelcross Nuclear Power Station
- The Neighbourhood Renewal Area strategy - a £65million investment in housing regeneration and renewal in Dumfries and Stranraer through Communities Scotland and Dumfries + Galloway Housing Partnership together with other Registered Social Landlords.

- TOURISM AND LEISURE INDUSTRY DEVELOPMENT

Regeneration is also about the development of opportunities – in this case the development of tourism and leisure activities with the associated employment and business opportunities created.

Dumfries and Galloway is themed as 'the natural place' based on its scenic value, the variety of land and coastal types, wildlife and nature, history and the development of leisure activities - mountain biking, natural history, equestrian pursuits, marine based activities etc.

The themed towns are based on tourism and leisure activities providing business and employment opportunities:

- Wigtown Book Town
- Castle Douglas Food Town
- Moffat Spa Town
- Lockerbie proposal as the equestrian town
- Newton Stewart as the Nature and Outdoors Town
- Kirkcudbright Artists Town

Stranraer as a marine based leisure and recreation centre with its connections to Ireland is part of the strategy of providing a cross regional pattern of tourism and leisure based employment and business opportunities.

### **Why do you consider that the development of a casino is the best way of securing regeneration?**

- **ADDITIONALITY**

As part of an integrated waterfront marina, housing, leisure and retail development mix, a casino development would add a significant investment enhancement to the proposal, raise the profile from medium to the high end of the market and form a key impetus in fulfilling the ambition to regenerate Stranraer – changing it from a ferry port to a national and international tourist destination point and a gateway to Scotland.

### **Please can we see the research evidence supporting the estimate of 200-300 jobs from the proposed large casino in Roger Tym and Partners' Stranraer Waterfront Economic Appraisal?**

The Roger Tym and Partners' Appraisal of August 2005 produced a figure of 514 jobs with reference to the waterfront regeneration development prior to a casino application.

The figure of 200–300 casino related jobs referred to in the original submission was sourced separately by Dumfries and Galloway Council in discussion with potential casino operators as a guideline figure for gross jobs.

The Council, however, has sought to clarify this figure through the EKOS Consultancy Report.

EKOS Study September 2006, based on the Star City experience, estimates 28–185 net jobs for a large casino and 15–101 net jobs for a small casino - **Appendix 2.**

#### 4 WILLINGNESS TO LICENCE

**Have you now undertaken formal consultation on the proposal to license a large or small casino/why were you not able to show greater acceptance than just committee meeting approval within the authority?**

The Joint Licensing Board for Dumfries and Galloway would not itself carry out any formal consultation as part of its licensing process. The wider stakeholder consultation is therefore being carried out the by the Council's Economic Regeneration Group as detailed below.

It is important to stress at this point that the local authority sees the issues of "Willingness to License" and "Wider Acceptance" as critically linked and part of a process in which we are now fully engaged with stakeholders within the statutory agencies and beyond. In this respect, the Panel's attention is drawn to the actions detailed below:-

- i. Following the announcement that the Dumfries and Galloway proposal had been short listed for further consideration an advertisement, explaining the context in which a casino licence was being sought and advising where the proposal could be viewed, was placed in the local press. A copy is attached at **Appendix 3**.
- ii. Following the announcement by the Casino Advisory Panel that it was seeking views and submissions from interested parties and inviting them to visit its website, a press release, again illustrating the context of the Dumfries and Galloway proposal and providing the CAP website address, was circulated widely to the local media, as a means of assisting this process.
- iii. A local contact was provided for those seeking additional information. That local contact confirms that only one enquiry was received, and relevant information provided. A copy of the press release and the recipients' list is attached at **Appendix 4**.
- iv. Community Councils  
The Mid Galloway Federation of Community Councils will be consulted at its meeting on 28 September and the Wigtown West Federation on 16 November and responses offered to the Advisory Panel as soon as they are received. Collectively these represent the interests of 16 Community Councils.
- v. The Rhins Renewal Action Group is the joint Council and Enterprise Company body overseeing the overall Waterfront project and has already submitted a letter of support for the Casino Project.
- vi. The Local Economic Forum (15 September 2006) received and enthusiastically supported the application. This is the key private/public sector grouping within Dumfries and Galloway. A formal letter of support from the Chairman is en route to the Advisory Panel.
- vii. The Planning and Environment Services Committee of the Council is due to meet on 10 October 2006 and receive a report seeking their endorsement (as the Council Committee responsible for Economic Regeneration) for the submission.

- viii. Wigtown West Area Committee on 17 May 2006 received a report and endorsed the Casino bid which was widely reported in the local press.
- ix. A wide-ranging series of letters of support have already been submitted as part of the bid at the time of submission and beyond and these have all been forwarded to the CAP.

## 5 PROBABILITY OF IMPLEMENTATION

**Has a market demand analysis been undertaken since your original submission and if so may we have sight of its findings?**

A market demand analysis, (Casino Market Profile Estimates) undertaken on our behalf by EKOS Consultants is attached at **Appendix 2** page 5. It estimates 181,000 annual visits to a Stranraer casino, considered to represent a viable market for a large casino at Stranraer.

In addition, a Stranraer Waterfront Development Business Appraisal has now been carried out and the final draft business plan will be agreed in the very near future. This confirms the development mix and has factored in marina development and most importantly, a casino.

**What progress has been made in taking forward the investment by Scottish Enterprise which was mentioned in your proposal?**

A submission was made by the Local Authority to the Casino Advisory Panel on 29 June 2006 outlining progress to date on investment and works as part of the overall Waterfront Regeneration Project. This detailed capital/infrastructure works, confirmation of EU Objective 2 funding and imminent start dates on the Breakwater Project. At this point, the Enterprise Company and Council are finalising an EKOS Business Plan/Project Appraisal report for the Waterfront project. This will inform the public/private investment profile at both a project and programme level and clarify the public sector investment requirements.

The next critical stage will be engagement with the private sector which will again in turn clarify the final levels of required public sector investment.

## 6 REGIONAL and LOCAL CONTEXT

**Your proposal focuses on the Rhins Renewal Action Area as the location of the proposed casino. Draft Scottish Planning Policy 8 at paragraph 4 advises that ‘Retail and leisure provision is fundamental to the concentration of activities in town centres and to the Scottish Executive’s priority of growing the economy’. Whilst the remit of the Panel is to advise only on the broad location of casinos, you have chosen in your proposal to identify this location outside a town centre as a particular merit of your proposal. Is there anything more you wish to tell why you chose this location contrary to emerging Government policy beyond which is already in your proposal document?**

SPP 8 sets out the Executive’s policy for town centres and their key uses which contribute to their economic growth and enhancement. In doing so it recognises that retail and leisure uses including casinos will be fundamental to the concentration of activities.

- in the annex - to casino developments:-

Planning consideration of any casino development will need to take account of the Gambling Act 2005, which defines three categories of casino and makes provision for determining the geographical distribution of casino premises licences within specified limits. Within that context, the location of casinos should be determined against the policy in this SPP; the capacity to offer significant regeneration, employment or tourism benefits; the proximity to and impact on residential areas; and be sited as a clearly defined leisure / entertainment destination.

- para 3

establishes that the SPP supports the Scottish Executive’s top priority of growing the economy as well as its wider goals of social justice, sustainable transport, health and an improved environment.

The Council fully recognises that the waterfront area is an edge of centre site as defined by the SPP:

- para 18 :-

edge of town centre cannot be defined by a precise distance as different centres vary in their size and scale. Generally, edge of town centre should be interpreted as adjacent to the boundary of the town centre but consideration must also be given to the local context, including the function and the character of the site in relation to the town centre as well as the ease of movement between the site and the town centre in terms of physical linkages and barriers, for example paths and roads. It should be within comfortable and easy walking distance of the identified primary retail area of the town centre. Thought should also be given to topography, visual integration, the attractiveness of the experience of accessing the site by different modes and whether transport links allow or deter easy access to the surrounding area.

In developing this proposal the Council has:-

- considered this definition,
- considered the relationship of this area to the town centre in term of the sequential test,

- market tested the proposal in terms of its impact on the vitality and viability of the town centre,
- considered the opportunity that this provides for sustainable economic growth by extending and complimenting the existing town centre,
- considered the benefits that this will bring to Stranraer and the wider area, and
- is taking forward the parallel development of a new sustainable transport hub as part of the waterfront site.

Having done so it has concluded that the proposal is in accordance with the general principles set out in SPP8 and the current application of these principles as set out in the Dumfries and Galloway Structure Plan and Adopted Wigtown Local Plan.

SPP8 highlights the need to identify a network of centres as part of a sustainable approach to development. The Structure Plan defines Stranraer as an important sub-regional centre serving a large rural area. In this regard it is the second largest centre after Dumfries being located approximately 1.5 hours drive from both Dumfries and Glasgow.

Development opportunities in areas of dispersed settlements where the traditional industrial base has declined must be based on what is appropriate in a particular area – hence the theme town approach which mainly relates to local historical and cultural associations.

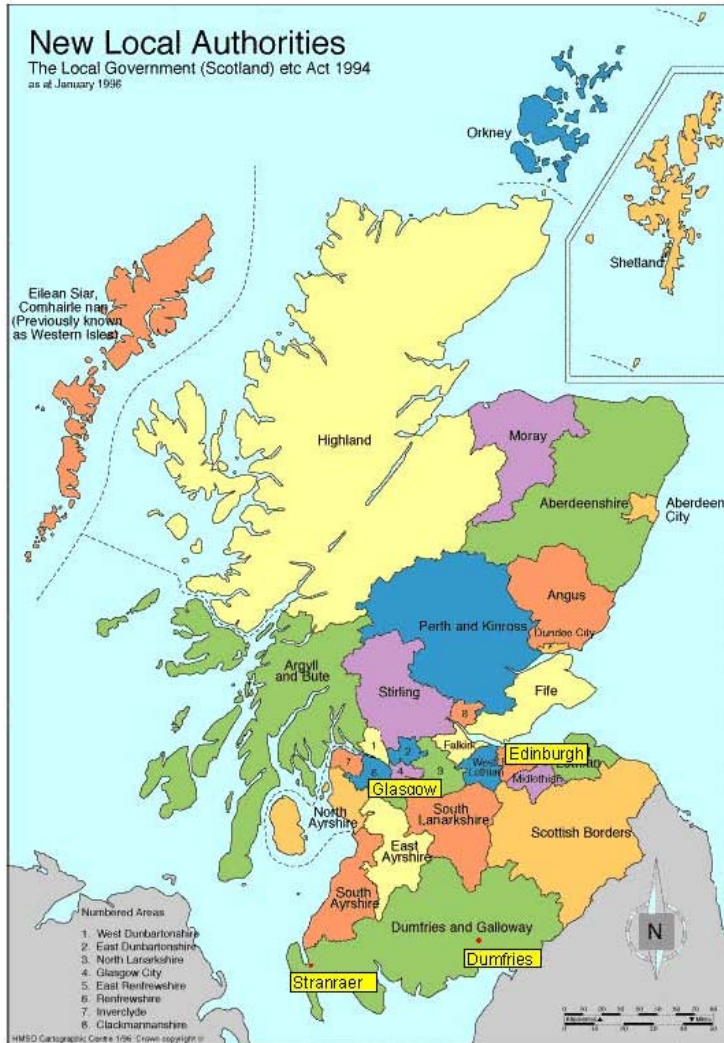
Developments must be underpinned by a sustainable long term market and it is in this context that Stranraer as a marine based leisure and tourism destination is positioned.

The preparation of the Development Framework for the Waterfront was undertaken within the context of NPPG8, the Dumfries and Galloway Structure Plan and the emerging Wigtown Local Plan. It has therefore been a key objective of the development that the location of the Stranraer Waterfront as an edge of centre site provided an opportunity to expand and enhance the competitiveness of the town centre and integrate it with the harbour area. This is the context within which the casino proposal is placed.

A more recent market appraisal by EKOS has confirmed that the development of the waterfront will compliment and help to enhance the existing town centre without adversely affecting its vitality and viability.

Having had regard to the above, the Council would suggest that this proposal is in accordance not only with SPP8 but also with the current Dumfries and Galloway Structure Plan and recently adopted Wigtown Local Plan.

# REGIONAL CONTEXT



## Mileage from Dumfries

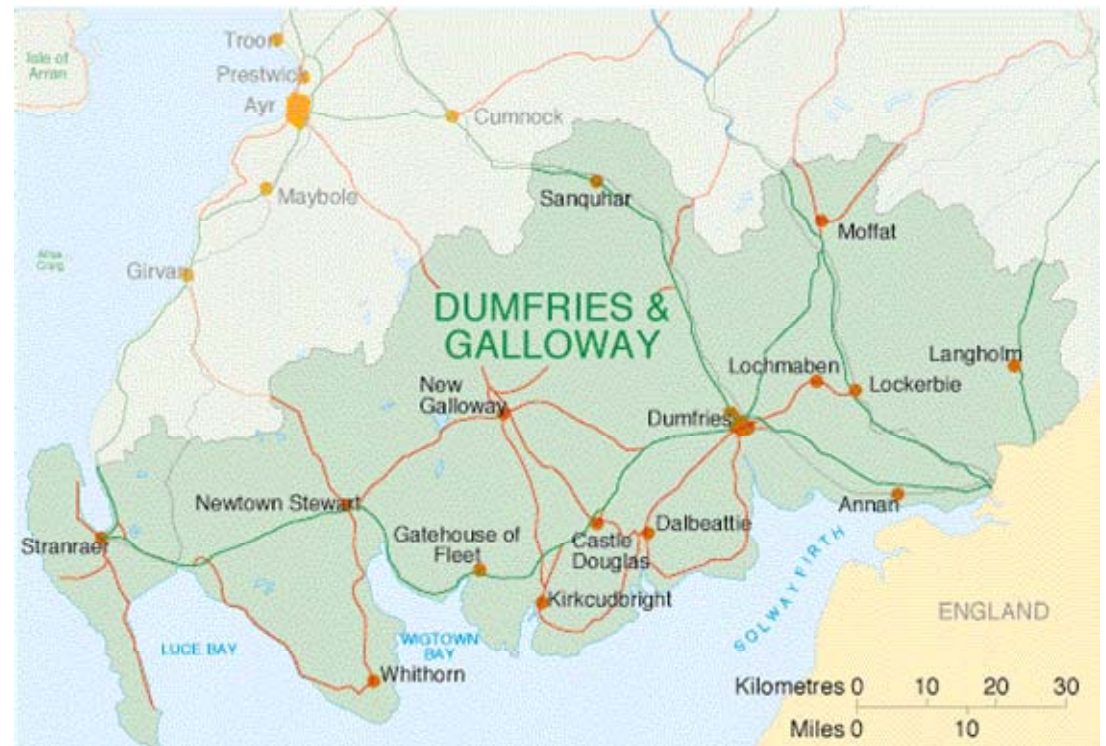
Stranraer 76 Glasgow 76 Edinburgh 82

Newton Stewart 56 Kirkcudbright 29

Castle Douglas 18 Sanquhar 27 Moffat 23

Lockerbie 14 Annan 17 Gretna 25

Stranraer to Annan 93 miles

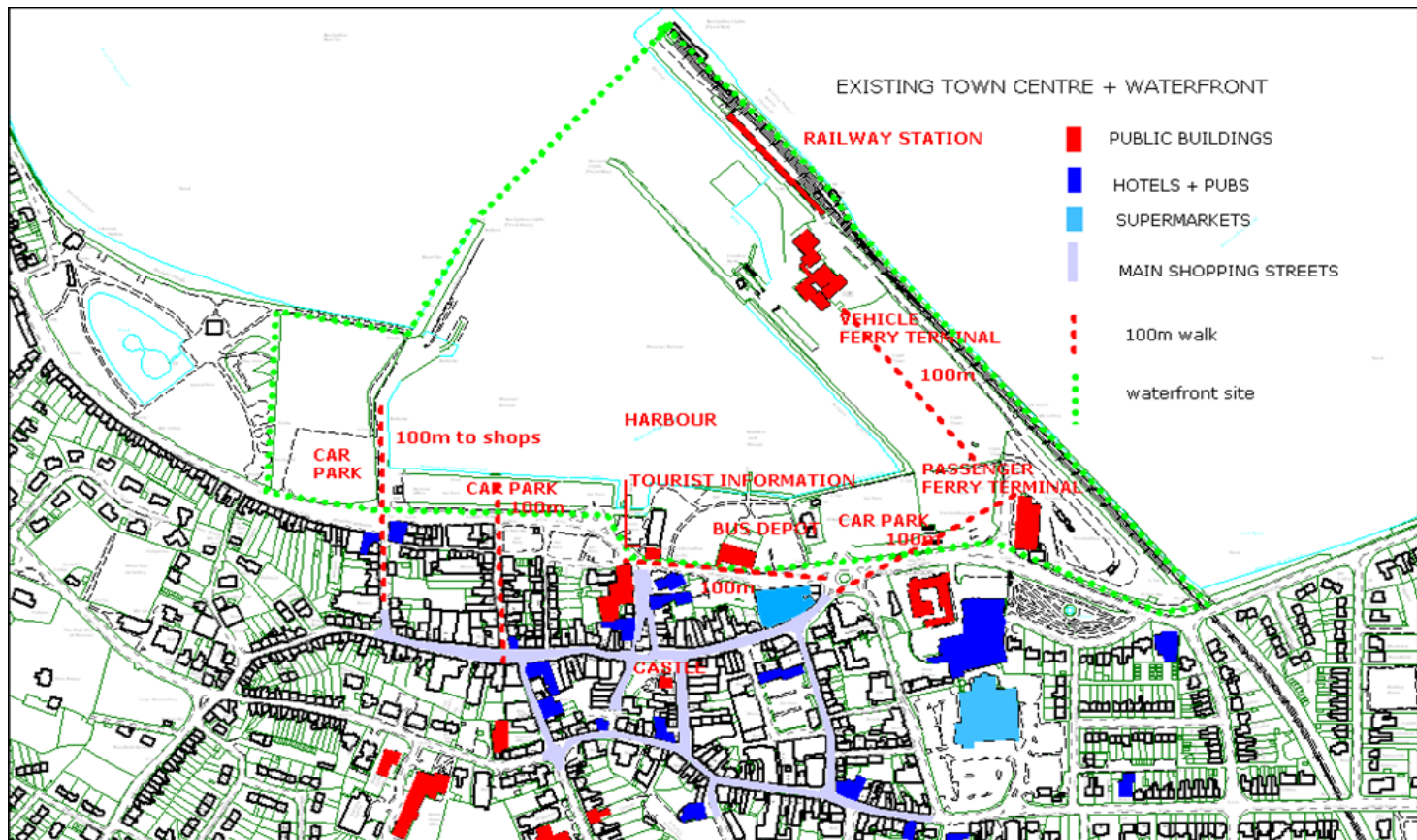


## LOCAL CONTEXT

edge of centre site allows expansion of the town centre & fits sequential approach with accessible new transport hub at its centre

mixed use retail, residential and marine and leisure activity waterfront principle supported in local plan

casino proposal as an integral part



In common with most port facilities, historically the town has turned its back on the waterfront port facility formed by gradual reclamation and consolidation culminating in its ferry port connection to Ireland.

Warehousing and the gas works separated the port area from the commercial, shopping and residential part of the town and all that now remains is the barrier of the road which now gives access to car parking areas, a bus depot and the passenger and vehicular ferry terminals for Stena lines together with the railway station at the pier head.

The waterfront site is within 100 to 200 metres walk from the main shopping streets and the proposal is to re-connect the town with its waterfront via the traditional street pattern with gap site infill and relocation of the bus and rail terminus to form a hub for the development and its integration with the town.

## **In other respects how does your proposal fit into the policy context for Scotland?**

1. Scottish Executive's National Planning Framework for Scotland is an overarching policy which highlights:-

- in paras 17–41
  - growth in service industries
  - importance of links to the rest of the UK and Ireland
  - clustering activity around transport nodes
  - this is an area of decline (currently covered by EU Objective and Assisted Area Status)
  - importance of retailing
  - legacy of social and environmental problems
  - links to regeneration
  - acknowledgement of the problems and vulnerability of peripheral rural areas
  - the reliance on timber in the remote west
  - acknowledges that growth has been less noticeable in the south and west than in the highlands
  
- in para 42, 43 and 49-52
  - links to sustainable transport, airport and ferry traffic
  
- in para 65
  - importance of place – this proposal is about creating a new sense of place for Stranraer
  
- in paras 165 + 168
  - south west as a gateway to Scotland
  - strengthen strategic transport corridors between Ireland and the Continent
  - links to Ireland and Cumbria offer substantial business opportunities
  - imaginative marketing of the area's attractive environment and historic small towns
  
- in paras 169–171, 178-179 +181
  - decline of traditional industries
  - service sector growth
  - importance of leisure and tourism
  - economic diversification and creation of more high-value jobs
  - to develop a diverse, modern economy with an international perspective
  - international gateways + communication corridors and strategic transport routes which will be of importance in supporting Scotland's development to 2025

It is the Council's view that the proposal for a casino as part of the wider regeneration of the waterfront area, of Stranraer, and of the Rhins Renewal Area is entirely consistent with this policy document.

## 8 UNIQUE CHARACTERISTICS

### **What could you do that would make your area more uniquely positioned viz-a-viz other similar areas wanting a casino?**

There are two quite unique features pertaining to this bid, both of which relate to policy drivers at the Scottish, UK and European levels.

- i. The recently launched South of Scotland Competitiveness Strategy (2006–2013), drafted by both Councils and Enterprise Companies in Dumfries and Galloway and Scottish Borders - launched January 2006 at the Scottish Parliament - identifies the need for the South of Scotland to engage with the new Metropolitan Areas agenda. The strategy further highlights the absolutely unique positioning of the area, sitting as it does, surrounded by 5 cities in Northern Ireland, Scotland and England (Belfast, Glasgow, Edinburgh, Newcastle and Carlisle).
- ii. The region is actively, in conjunction with the Scottish Executive and Scottish Enterprise National, working towards a draft Operational Programme for the new EU funded Co-Operation Strand of the 2006 – 2013 Competitiveness Programme for Lowland and Upland Scotland due to be submitted to the European Commission late 2006. For the first time this will see EU funded partnerships between the West Coast of Scotland and Northern and Southern Ireland, the objective being to increase joint working between the regions on Economic, Cultural and Tourism projects and increasing the development traffic between countries in this maritime cross-border programme. These programmes flow from the Lisbon Agenda of increasing growth, jobs and competitiveness across Europe through active Regional Policy and cross-border co-operation.

These 2 factors in themselves provide a unique and truly exciting context, not just for the casino project, but for the potential economic and sectoral multipliers which would undoubtedly flow from the casino project supported by the above programmes.