

North East Lincolnshire (small)

1. Type of Area

Please see the additional information submission.

2 Social Impact

What information can you give us as to the suitability of your area as a test of social impact?

Please see the additional information submission.

3. Need for Regeneration

What are the planned components of the £9m neighbourhood renewal fund and the £12m urban renaissance programme?

The Neighbourhood Renewal Programme

In all, £9.1 million Neighbourhood Renewal Funding was awarded to North East Lincolnshire for the 2 years April 2006 - March 2008, with £4.5 million in the first year to March 2007. An additional £1.6 million of associated funding has been awarded, called the Neighbourhood Element, which is allocated to the neighbourhood safety scheme to provide community wardens and support officers in neighbourhoods across the borough. There are six outcome areas, or themes, that are the focus of neighbourhood renewal work – Crime, Education, Housing, Employment, Health and Liveability. Each one is linked to a number of measures called 'floor targets'. Activity supported by NRF should help to bring about improvements in the floor targets. One of the main aims of neighbourhood renewal is to address inequalities, which means to tackle those situations where some parts of our community face greater challenges or have fewer opportunities than others.

The Urban Renaissance Programme

The Urban Renaissance Programme is specifically focused on delivering the renaissance of Grimsby and North East Lincolnshire as a whole, making the town a viable proposition to live, work and invest in. The programme will generate new employment opportunities, both directly and indirectly, and wealth through an improved town centre product, increased availability of development sites and attraction of investment into the town. The interventions included within the programme will deliver a high quality built environment, capitalising upon the distinctive assets in the area and including high quality public realm improvements, improved legibility throughout and major redevelopment in the town centre.

What hurdles and challenges are to be expected in their delivery?

- The key hurdles and challenges are as follows:
- Securing of funding from the various funding bodies
- Site availability and land assembly

- The degree to which social and cultural change is required in order to tackle some of the issues.

Your estimate of 200 additional jobs associated with the operation of a small casino is derived from Pion Economics. This figure is greater than that quoted in other proposals. Have you undertaken any research to check the figure?

Yes this was carried out as part of an independent economic impact study– please see the additional information submission

4.Willingness to Licence

Please see the additional information submission.

5. Probability of Implementation

What is the planned usage of the Meridian Lakeside Arena and events programme?

The Meridian Lakeside Arena will have a capacity of up to 10,000 persons. It is proposed to hold events of varying types on the site all year round. The North East Lincolnshire Council Events Team are working on the events programme for the arena which will be opening in September 2007. A wide variety of events are envisaged from concerts, to tractor shows, corporate events etc.

What supporting evidence of the viability of this proposal is there?

The Meridian Lakeside Arena project covers a number of projects such as an extension of the light railway, the creation of craft workshops, public realm improvements and highways improvements, features on the boating lake and surrounding area. All of which are aimed at increasing the popularity of the resort, increasing the potential as a stay over resort as opposed to a day visitor resort. The project has received £4.9 million from NELC, European Regional Development Fund Objective 2, Yorkshire Forward (RDA) and the private sector.

What is the status of its development and what progress is being made?

The Arena site is in the process of being cleared and works on the infrastructure will be completed in August 2006.

What are the hurdles and challenges?

The hurdles and challenges are increasing the visitor numbers and level of spend in the resort.

How closely integrated with the arena would you expect the casino to be?

Very, the increase in visitor numbers to the arena and the other developments in the project would mean that there would be more people in resort to visit the casino and vice versa. They would act as a catalyst for each other.

What is the status of the Discovery Centre Development, its bars/restaurants and arena?

The Discovery Centre extension will be completed by August 2007, it includes further exhibition space and meeting rooms. There is only a café at the centre. In fact

there are no bars or restaurants being developed in the whole of the arena area project.

What would be the impact on their scheme and the likelihood of its development if it did not get a casino?

The development of the scheme would still go ahead, as it is receiving external funding which has to be spent within short timescales, but its potential for future development could be limited if the casino did not go ahead. It would give 'Added Value' to the resort.

What, as you see it, is meant by "the positioning of the Humber as a 'Global Gateway' for the North of England? Specifically, how will this aspiration help with the establishment of a small casino in your area?

Due to the location of one of the UK's largest ports in the North East Lincs area (Immingham) the Humber is viewed regionally as the 'Global Gateway for the North of England' and this also supports the delivery of the Northern Way Strategy. A small casino would assist in attracting those people that service and travel through the ports enhancing the economic benefits gained locally from the port.

6. Regional and Local Context

How do the various site options in Cleethorpes and Grimsby fit with the location of the existing planned regeneration projects?

While the remit of the Panel is to consider local authority areas rather than specific sites, you choose in your proposal to advance the availability of two sites as a particular merit of the proposal.. What is your response to the policy preference in PPS6 and policies E2 and HE1 of the RSS for Yorkshire and the Humber to casinos being located in town centres?

Since submitting the original submission to the Casino Advisory Panel, further work has been undertaken on potential sites for the Casino across North East Lincolnshire and a detailed assessment of each of these sites is now underway. One of the key factors being considered as part of this is the Policy Preference for the location of casinos within urban areas however additional factors are also being considered, as outlined within the submission of further information.

7 Community Benefits

Please see the additional information submission.

8 Unique characteristics

What could you do that would make your area more uniquely positioned compared with other similar areas wanting a casino? How do you consider that the development of a small casino would help reinforce the distinctiveness of the area ?

Please see the additional information submission.

North East Lincolnshire Council

Casino Advisory Panel Submission for a *Small Casino* - Further Information

14th August 2006

1.0 Introduction

This report has been produced in support of the Casino Advisory Panel submission for a small casino, made by North East Lincolnshire Council on the 31st March 2006.

Significant work has been implemented since that submission as is outlined within this report, including the undertaking of a range of actions and further research supporting an evidence based assessment of North East Lincolnshire's 'case' for a small casino.

2.0 Type of Area

The original submission made by North East Lincolnshire Council illustrated that the area is one of geographical diversity with a clear case for regeneration being illustrated. The two major urban areas in North East Lincolnshire are Cleethorpes, a traditional resort town and Grimsby with its manufacturing heritage.

Significant work is being undertaken to identify the most appropriate site for a small casino in the North East Lincolnshire area and this is being carried out in partnership with other organisations, agencies and service providers in the area, and through local community engagement. KPMG have been commissioned to work with the Council in carrying out an independent evaluation of each of these sites so that the most appropriate and beneficial location for a casino can be identified.

Factors that will be considered in the selection of the site include:

- Strategic fit with other statutory and strategic documentation
- Complementary land uses nearby to ensure maximum economic impacts outside of the casino
- Transport connections and accessibility
- Environmental Impact
- Proximity to deprived neighbourhoods and communities
- Site ownership and assembly issues
- The need for regeneration within an area
- Social Impacts
- Community feedback

3.0 Social impact

North East Lincolnshire Council recognises and takes extremely seriously its responsibilities in responding to the potential social impacts that can arise from casino development. This factor is indeed one of the reasons the council has submitted for a small casino rather than a large or regional sized casino. The strategic context and approach of the area was identified within the original submission, therefore the opportunity has been taken in this submission of further information to outline some of the actions taken at a more practical level.

North East Lincolnshire Council has appointed a very experienced project manager to work with the Cabinet Member for Regeneration in co-ordinating the delivery of work on Casinos. This project manager has worked on the identification of potential social impacts of casinos in other areas, working with high profile specialist professionals such as Professor Peter

Collins of Salford University and GamCare as well as public sector and industry representatives. It is believed that through acknowledging the potential negative social impacts that can arise from casinos, the Council can work in partnership with other organisations and groups to develop an action plan that minimises such threats and supports the maximising of regeneration benefits to be gained.

The Council is currently establishing a partnership group, linking into the work of the Local Strategic Partnership, which will develop and monitor the delivery of this action plan. The potential social impacts being considered include:

- Minimising the impact on existing businesses including those operating within the evening economy, the leisure market and other premises licensed for gambling purposes including bingo halls and amusement arcades.
- Consideration of the impact and proximity of development upon vulnerable groups and deprived neighbourhoods.
- Consideration and minimisation of additional impacts associated with gambling addition.
- Designing out potential crime and community safety issues such as costs of crime against persons and property and thereby minimising the requirement of additional public expenditures such as police, prosecution and court costs.
- Targeted related services

4.0 Need to regenerate

The case for a requirement for regeneration in North East Lincolnshire was made within the Council's original submission to the Casino Advisory Panel. Since making the submission for a small casino however, the Council has worked closely with partners in developing a comprehensive regeneration strategy for the area and a casino is highlighted within this as one of the important flagship developments that will underpin the regeneration of the wider area. In addition the Council and its partners are keen to progress proposals for complimentary land uses and developments in order to maximise regeneration benefits for the area and to create linkages between the casino and other proposed developments outlined within the regeneration strategy and related action plan.

A detailed Economic Impact Assessment of the development of a 'generic' small casino in North East Lincolnshire has also been implemented in support of this submission of further information, and in assisting the council and its partners in its decision making in support of casino proposals.

The Assessment has been completed in line with HM Treasury Green Book guidance and quantifies the net additional impact that a small casino would have on the North East Lincolnshire economy. In calculating the range of net additional economic impacts the assessment includes consideration of the following:

- The transitory impact of construction expenditure relating to the casino
- The impact of expenditure within the casino
- Expenditure by the casino operator on goods and services
- Expenditure by visitors to the casino on goods and services outside of the venue

For the purposes of the analysis, it was assumed that the small casino would cover some

5.0 Willingness to Licence

North East Lincolnshire Council is confident that through working closely with its partners and with detailed community consultation supported by the implementation of a community information campaign, it will be able to deliver a small casino that meets the needs and requirements of the local area and will therefore be acceptable and supported at a local level.

6.0 Probability of Implementation

North East Lincolnshire Council has been approached by many casino operators who are keen to develop a small casino in the area as well as other complimentary developments. Following the identification of a preferred site, as outlined within section 2.0, the Council and its partners will approach the Market with an open competition. The preferred operator will be selected on factors such as the quality and suitability of their development proposals and the illustration of their commitment to recruiting from within North East Lincolnshire's deprived neighbourhoods, during the construction phase and in the management and staffing of the casino.

Through undertaking this process, in conjunction with the detailed consideration of regeneration benefits to be gained in the original site identification, the Council anticipates that the maximum possible benefits will be gained from the development of a small casino in North East Lincolnshire.

7.0 Regional Context

Yorkshire Forward, the Regional Development Agency for Yorkshire and the Humber, has been very supportive of the proposal for a small casino in North East Lincolnshire. As outlined within the original submission, our plans for a casino development within North East Lincolnshire would strongly align with the Yorkshire and Humber Regional Economic Strategy.

In addition to those strategies outlined within the original strategy, a casino will also assist in the delivery of the Yorkshire and Humber Tourism Action Plan for the period 2003-2012, which in turn supports the delivery of the Tomorrow Tourism Today Strategy (DCMS, 2004).

8.0 Community Benefits

If North East Lincolnshire is selected as one of the eight locations for a small casino, it is acknowledged that there are a number of actions that the Council and its partners can take to maximise the economic benefits of such a development. These include:

- Developing local recruitment policies for the casino operator to adhere to (i.e., to minimise the leakage impact on wages) during the construction and operating phases
- Working with local training providers, and particularly those with existing well-established tourism courses, to develop tailored and specific training that will enable local people, and in particular those from the deprived neighbourhoods, to access the jobs created.
- Work closely with service providers, such as those that provide childcare or public transport, to tailor support to meet the needs of those accessing jobs in the casino. This would include consideration of the casino being open throughout the night, and the related resulting service requirements.

25,000 to 30,000 sq.ft of area (including customer and support areas), attract in the region of 160,000 to 200,000 visitors per annum, and house 30 to 40 gaming tables and between 60 and 80 category B slot machines. The data does not take into account the impact of other complimentary developments such as a hotel, although such options are being considered by the council and its partners.

Overall, the Economic Impact Assessment indicates that the construction of a small casino could result in some £4.4m to £5.3m in net additional expenditure in the local economy (defined as North East Lincolnshire). This in turn could support some 140 to 199 additional full time equivalent (FTE) jobs. This increase in expenditure in jobs and income will not be permanent but be transitory in nature, occurring only during the construction phase.

Table 1 – Indicative transitory impacts from the construction of a small casino

	Construction impact
Gross expenditure (£m)	7.0 – 8.4
Gross increase in wages (£m)	4.4 – 5.8
Gross employment impact (no. of FTE jobs)	215 – 286
Net additional expenditure (£m)	4.4 – 5.3
Net additional increase in wages (£m)	2.8 – 4.0
Net additional employment impact (no. of FTE jobs)	140 – 199

Once operational, it is estimated that the small casino could generate in the region of £4.3m to £5.7m per annum of net additional expenditure in the local economy. By allowing the proportion of this expenditure that would be spent on wages, we estimate that some 156 to 182 FTE additional jobs could be supported by the operation of the casino.

Table 2 – Indicative steady economic impacts resulting from operation of a small casino

	Impact of operating casino
Gross expenditure at casino (£m)	6.6 – 9.0
Gross additional external to venue (£m)	4.6 – 5.7
Gross increase in wages (£m)	5.7 – 7.3
Gross direct employment within casino (no. of FTE jobs)	164 – 207
Total gross employment impact (no. of FTE jobs)	313 – 398
Net additional expenditure inside venue (£m)	2.8 – 3.8
Net additional expenditure external to venue (£m)	1.5 – 1.9
Total net additional expenditure to the local economy (£m)	4.3 – 5.7
Net additional increase in wages (£m)	2.2 – 2.6
Net additional employment (no. of FTE jobs)	156 – 182

The net additional figures account for benefits leaking outside the local economy, expenditure displaced, deadweight and income and supply multipliers.

- Encouraging the casino operator to source goods and services locally to maximise the impact on the supply chains within the North East Lincolnshire area.

In addition North East Lincolnshire suffers from higher than average incidents of violent crime and the diversification of the evening economy in the two urban centres is identified as one of the methods for working towards reducing these levels. The development of a small casino in the area would contribute towards diversifying the evening economy offer, providing clear community benefits as well as making the area more attractive as a visitor and tourist destination.

9.0 Unique Characteristics

The unique characteristics of our proposals are outlined within our original submission document and include:

- Our total commitment
- Levels of deprivation
- Commercial sustainability
- Experience of managing demand
- Seaside resort
- Recognised evening economy
- Historic connections
- Skills base