

PROPOSALS FOR THE
CANNOCK CASINO

SUBMITTED
TO
CASINO ADVISORY PANEL
DEPARTMENT FOR CULTURE, MEDIA AND SPORT

MARCH 2006

BY
CANNOCK CHASE COUNCIL
CIVIC CENTRE
BEECROFT ROAD
CANNOCK
STAFFORDSHIRE
WS11 1BG

**CASINO ADVISORY PANEL
Formal Proposal Cover Sheet**

Please fill in all categories below:

Name of Local Authority:

CANNOCK CHASE COUNCIL

Main Contact:

Name:	GLENN WATSON		
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Name and title of Submitting Officer:

Name:	GLENN WATSON
Title:	ECONOMIC DEVELOPMENT 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)	ONE	ca 2,300 sq.m.
Small (state number)	-	

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

Large (state number)	-	
Small (state number)	ONE	ca 1,800 sq.m.

2. THE PROPOSAL

Introduction

- 2.1 Cannock Chase District is located in Southern Staffordshire on the fringe of the West Midlands conurbation. It's history is synonymous with coal mining. At the start of the 20th Century, the Cannock Chase Coalfield had 55 collieries employing over 23,000 miners. Today employment in mining is nil, with the last collieries at Lea Hall and Littleton closing in the early 1990s.
- 2.2 In response to the decline in 'traditional' employment and the associated physical, social and economic problems resulting from the colliery closures, the Council has worked extensively with other public sector agencies and the private sector to promote a range of regeneration initiatives over the last 15 years.
- 2.3 Of particular note are two Single Regeneration Budget (SRB) programmes which secured £151m of combined public and private sector investment. The Cannock Gateway Project centred upon the more deprived wards of Cannock ran from 1995-2002 using £19.5m of SRB, whilst the Trent Challenge Programme in Rugeley ran from 1996-2002 utilising a combination of SRB and Regional Challenge monies in excess of £7.5m. More recently, the West Midlands Objective 2 European Programme has secured a further £8m of investment across an area which includes most of the District, as well as parts of Lichfield and Walsall.
- 2.4 In response to initiatives such as those outlined above, the economic performance of the District has improved considerably in a number of areas. For instance, unemployment which exceeded 5.5% across the District in 1995/96 has declined to 2.4% (January 2006). Furthermore, employment levels have increased substantially (4,600 more jobs in the District between 1995-2003) and a more broadly based employment structure has begun to emerge with less reliance upon manufacturing industries and substantial increases in service sector employment.
- 2.5 However, there are still a number of inherent weaknesses which the Council and its partners are working to overcome. These include:-
- Significant under-performance with GCSEs
 - Lower than average participation in Further and Higher Education
 - Gross Value Added (GVA) well below Regional averages
 - Lower than average incomes
 - Comparatively fewer people educated to Levels 3 and 4

Demographics

- 2.6 The above characteristics are set against a background of a District-wide population which increased significantly between 1983-2003 (growing from 85,300 to 92,900) and is

expected to continue growing over the next 20+ years. The most recent population projection is that the population of the District will increase to 100,300 by 2028.

2.7 The current age profile of the District is essentially youthful, with the mid 2003 population estimate indicating that:-

- 21% of the District's population are aged under 16 years, compared to 19% for Staffordshire County and 20% for the Region and England and Wales.
- 63% (58,100 persons) of the District's population are of working age (females 16-59 years and males 16-64 years). This is the second highest proportion in Staffordshire with only Tamworth achieving a higher figure at 64%. This compares to Staffordshire and Wales with 62% and the West Midlands Region 61%.
- 17% of residents are aged 60 and over for females and aged 65 and over for males; this is one of the lowest proportions in Staffordshire. Tamworth has a slightly lower proportion with 14%. Staffordshire, the West Midlands Region and England and Wales have 19%.

2.8 The Black and Ethnic Minority (BME) community within Cannock Chase is very small, representing 1.4% of the total population. However, it is useful to note that the BME profile increased significantly between the 1991 and 2001 Census from 748 to 1,254. With the enlargement of the European Union it is anticipated that migration from Central and Eastern Europe will continue this trend into the future.

Deprivation

2.9 Cannock Chase District is the most deprived local authority area in Staffordshire outside Stoke-on-Trent. The 2004 Indices of Deprivation ranked the District 134th in England (compared to 121st in 2000). Therefore, whilst its position has improved marginally, it is still within the top 40% most deprived LAs in England and is the 10th most deprived in the West Midlands Region.

2.10 Of the 60 Lower Super Output Areas (SOAs) across the District, 12 rank within the worst quartile in England. When the individual deprivation themes are considered a significantly different picture emerges as illustrated in the table below.

Cannock Chase District Deprivation Themes: IOD 2004

Deprivation theme	Number of Lower SOAs Ranking within the Worst 25% in England
Education, Skills and Training	27 (45% of the District's SOAs)
Employment Deprivation	26 (43% " " " ")
Health Deprivation and Disability	17 (28% " " " ")
Income Deprivation Affecting Older People	16 (27% " " " ")
Income Deprivation	12 (20% " " " ")
Income Deprivation Affecting Children	10 (17% " " " ")
Crime Deprivation	3 (5% " " " ")
Barriers to Housing of Services	2 (3% " " " ")
Living Environment Deprivation	0

Source: ODPM, Crown Copyright

Health

- 2.11 The Cannock Chase Beacon Status for Healthy Communities Award 2004/05, awarded by the Office of the Deputy Prime Minister, recognises the good practices adopted through joint agency work between Cannock Chase Primary Care Trust, Cannock Chase Council and other partners. This recognition has been achieved against a background of Standardised Mortality Rates (SMRs) which are 8% higher than the average for England and Wales. The District has a high incidence of respiratory disease and coronary heart disease which are linked to the mining history of the District.

Crime

- 2.12 Recent crime statistics for the District indicate a reduction in crime incidents and an improvement in crime detections. Crime incidents per 1,000 population continue to be lower than Staffordshire, the West Midlands Region and England. However, surveys undertaken by the Council through its Citizens' Panel regularly highlight the perception of crime is a major concern.

Employment and Unemployment

- 2.13 As noted earlier, since the demise of the coal industry the District's economic base has undergone a significant transformation. Today, the District has a more diverse employment structure, with virtually half of those employed in the District working in distribution, hotels and restaurants (27%) and public administration, education and health (23%). Cannock Chase remains heavily reliant upon manufacturing which represents 20.34% of total jobs, compared to Great Britain (13%).

Cannock Chase District: Employment Structure 2003

Industry	Number	%
Agriculture and Fishing	} 200	0.57%
Energy and Water		
Manufacturing	7,100	20.34%
Construction	2,600	7.54%
Distribution, Hotels and Restaurants	9,500	27.22%
Transport and Communications	2,000	5.73%
Banking, Finance and Insurance etc.	4,300	12.32%
Public Administration, Education and Health	8,000	22.92%
Other Services	1,200	3.44%
Total	34,900	100.00%

Source: NOMIS, Annual Business Inquiry (2003, ABI)

- 2.14 Provisional information from the ABI indicates that the number of jobs in Cannock Chase District increased by around 1,000 (+3%) between 2002-03. Moreover, the number of jobs within the District increased by +14% between 1998 and 2003.
- 2.15 As noted earlier, unemployment levels have fallen over recent years, but over the last twelve months appear to be increasing again. The January 2006 figures show that the District's unemployment figure stood at 2.4% (equal with Tamworth) and the highest rate in Staffordshire outside Stoke-on-Trent (3.3%).
- 2.16 Youth unemployment is a particular problem within Cannock Chase District, with approximately one-third of those claiming job-seeker's allowance being aged between 20 and 24. The average for Staffordshire (excluding Stoke-on-Trent) is 29%. In contrast, long-term unemployment stands at about 9% which compares favourably with the West Midlands Region's figure of 16%.

Education

- 2.17 The District continues to exhibit comparatively low education participation and attainment levels in comparison to those for the Country as a whole. However, the most recent GCSE results (2005) indicate a marked improvement on those for the previous year (2004). However, there still remains a significant gap between local performance and that achieved across the County, Region and England as a whole.

GCSE Attainment (% pupils achieving 5 or more A*-C)

	2001	2002	2003	2004	2005
Cannock Chase District	37.2	40.2	45.4	42.7	48.9
Staffordshire (exc. Stoke)	48.3	50.4	51.3	50.8	54.0
England	50.0	51.2	52.6	55.7	N/A

Economic Regeneration and Tourism Strategies

2.18 In mid 2003 Cannock Chase Council adopted separate Economic Regeneration and Tourism Strategies following extensive consultation. The former focused upon three priorities for implementation purposes:-

- Educational Attainment Pre and Post 16 (including related aspects of basic skills and raising aspirations and expectations).
- M6 Toll (making the most of growth opportunities).
- Tourism (making the most of growth opportunities).

2.19 The third priority area is complemented by a separate Tourism Strategy entitled 'Developing a Sustainable Visitor Economy 2003-07', which seeks to realise the economic regeneration potential of tourism to the local economy. The importance of tourism and its contribution to the development of a strong visitor economy supporting significant numbers of jobs and businesses is a key component of the Economic Regeneration Strategy.

2.20 Recently, and in response to the publication of the West Midlands Visitor Economy Strategy, Cannock Chase Council started working with all the Districts across the County to establish a Destination Management Partnership (DMP) to facilitate the promotion of the sub-region to visitors/tourists.

2.21 In addition, the Council has participated in three separate studies which should facilitate continued growth within the local visitor economy. These included:-

- The Southern Staffordshire Partnership (SSP) Visitor Economy Study which examined the scope for increased tourism activity across the sub-region and confirmed the importance of Cannock Chase AONB as a destination to be invested in and managed.
- The SSP Hotels Study which assessed the potential for new four star hotel construction on a number of development sites. A site on Kingswood Lakeside in Cannock emerged as the best location within the sub-region; this being less than a mile from the Cannock Town Centre. Furthermore, the Consultants have indicated that the four star hotel would complement the three star premium hotel which is already under construction at nearby Bridgtown.

- A study by DTZ Pbeda commissioned by Staffordshire County Council which looked at the potential of the Grove Colliery and Chasewater areas for the development of a number of tourist attractions, and as a visitor hub close to the M6 Toll with an ability to reduce pressure on the AONB.
- 2.22 Against this context, the Council and its partners are now actively pursuing a series of initiatives which are designed to increase tourist activity (by increasing the number of overnight stays and the range of facilities/attractions), but to also promote the visitor economy by developing a focus on business visitors by increasing quality hotel/restaurant provision in the area.
- 2.23 The above ambitions are based upon the Heart of England Tourism (HETB) Economic Impact Assessment for Cannock Chase which found that in 2004 approximately 1.3m visitors came to Cannock Chase but only 5% (62,700) stayed overnight in the area. Of those who did stay overnight, 50,000 were UK based visitors and 12,700 from overseas. During their visit to Cannock Chase, tourists spent approximately £44.8m. On average those staying overnight (5%) are responsible for 22% of local visitor spending. This expenditure supports approximately 1,200 jobs.

Regeneration Needs of the District

- 2.24 In addition to developing the tourist/visitor economy, as outlined above, the Council and its partners are involved in a series of initiatives which are intended to:-
- Attract inward investment to key development sites, especially 'value-added' businesses
 - Secure improvements and investment into the District's town centres
 - Improve skill-levels and training participation
 - Maximise access to new employment opportunities through a programme to secure 'local jobs for local people'
- 2.25 Improving the District's three main town centres: Cannock, Rugeley and Hednesford, is central to a number of the Council's aspirations, not only because of their role in strengthening the tourist/visitor economy, but also because of the employment and training opportunities associated with such investment.
- 2.26 A good example of this can be found in Cannock Town Centre which has been improved significantly over the last ten years. For instance, Cannock Shopping Centre was completed in 1996 at a cost of £14m via a joint venture between the Council and St. Modwen Developments. This was complemented by European Regional Development Fund assisted environmental improvements at a cost of £490K, whilst a speciality shopping and leisure scheme by Pritchard Holdings Plc was completed in 2001 at a cost of £9m at High Green at the northern end of Cannock Town Centre. As a consequence of

these investments Cannock Town Centre now serves an enlarged area extending into parts of South Staffordshire District.

- 2.27 Further investment in the town centre is now being proposed with discussions underway with two developers with a view to securing additional retail floorspace adjacent to Cannock Shopping Centre. Such proposals would complement the recent opening of Asda on Avon Road adjacent to the town centre, as well as the Avon Plaza scheme; a mixed retail and leisure complex which has been proposed for a block bounded by the Walsall Road (A34), Avon Road (A4601) and Asda.

The Cannock Casino

- 2.28 In identifying the most appropriate location for a casino, the Council have considered current and emerging guidance from Central Government and have concluded that a site within Cannock Town Centre would be the most appropriate because of the availability of good public transport links, as well as the ability to integrate the scheme with other leisure facilities.
- 2.29 Local developers Pritchard Holdings Plc have confirmed that they would be able to accommodate either a large or small casino on the upper floor of the Avon Plaza scheme which has the benefit of planning permission and on-site car parking. Whilst the use of the upper level of Avon Plaza to accommodate a casino would require an amendment to the existing planning permission, this is not considered a significant issue in planning policy terms. As a consequence Cannock Chase Council are supportive of the principle of utilising the upper level of Avon Plaza for either a large or small casino.
- 2.30 The aim of the Avon Plaza scheme is to provide a retail and leisure based development which will prove attractive to all sections of the local community and visitors/tourists alike. Located at the southern end of Cannock Town Centre, the scheme would provide retail floorspace on the ground floor, car parking on the first level and a multi-screen cinema, bingo hall, bowling alley and children's adventure play centre on the second level. The third (revised) level would be capable of accommodating either a large casino (2,310 sq.m.) or small casino (1,785 sq.m.), both well above the minimum floorspace criteria established by the Casino Advisory Panel. The remainder of the upper floor would accommodate a 62 bedroom hotel.
- 2.31 Pritchard Holdings Plc have indicated that Travelodge have expressed a significant interest in operating the hotel element of the upper floor of the Avon Plaza scheme whilst a number of casino operators have approached both the Council and Pritchard Holdings about the Cannock Casino.
- 2.32 Most of the land required to implement the Avon Plaza scheme is already in the ownership of Cannock Chase Council and Pritchard Holdings Plc. The securing of the remaining plots of land by private treaty is well advanced with the site assembly process anticipated for mid 2006. Pritchard Holdings Plc have indicated that the site clearance process could start as early as January 2007 with completion by October 2007.

- 2.33 Should the proposals related to the Cannock Casino be selected for further examination, it is anticipated that a planning application to change the proposals for the upper floor of Avon Plaza would be submitted to Cannock Chase Council in June 2006.
- 2.34 There are a number of regeneration benefits which could be secured via the Cannock Casino proposals, these include:-
- Creation of approximately 250 jobs associated with the casino and hotel development.
 - Establishment of a facility with the potential to attract patronage from local people as well as visitors/tourists, thus supporting growth within the visitor economy.
 - A scheme which consolidates the connections between the town centre retail core and the recently opened Asda store.
 - The provision of a range of leisure based proposals which will appeal to all age groups and sections of the community under a single roof.
 - Access to good public transport connections with on-site car parking.
- 2.35 In addition to the above it should be noted that Cannock Chase Technical College have indicated that they would be able to support the proposals via the provision of appropriate training courses. The location of Avon Plaza is highly accessible to the most deprived wards within the District thus offering the opportunity for local people supported by appropriate training to secure employment at the casino/hotel element of the Avon Plaza scheme, thereby complementing the local jobs for local people aspiration.

3. **OTHER CONSIDERATIONS**

Social Impact

- 3.1 The proposals for the Cannock Casino should have a largely positive social impact by virtue of offering employment opportunities to local people, and its inclusion within a package of leisure attractions which would be 'affordable' by those from affluent as well as needy communities.
- 3.2 In this context, the inclusion of the casino/hotel within a leisure complex is important. Furthermore, the location of the Avon Plaza scheme is highly accessible to relatively affluent areas within a 30 minute drive time (eg. Stafford, Lichfield, Sutton Coldfield, Aldridge and Wolverhampton). There are over 1.3 million people living within the 30 minute off-peak drive time surrounding Cannock. The Cannock Casino would be attractive to business visitors staying in the area, for example at the three star premium hotel within the Orbital Plaza complex on the A5 also being developed by Pritchard Holdings Plc.

- 3.3 If the proposals for Cannock Casino are selected for detailed examination, it would be Cannock Chase Council's intention to commission detailed research to evaluate the economic and social impacts of the scheme, and to identify methods by which the negatives can be mitigated or eliminated completely. Onus would also be placed upon potential operators of the casino to demonstrate what measures they would introduce to maximise positive social impacts and minimise adverse impacts.

Need for Regeneration

- 3.4 As noted above, if the proposals are selected by the Casino Advisory Panel for further detailed examination, the Council would commission research to evaluate the economic and social impacts of the scheme. However, at this stage, Cannock Chase Council view the proposal to establish either a large or small casino in the District as a positive contribution to regeneration by virtue of:-

- The securing of further investment in the District, in particular Cannock Town Centre.
- The opportunity to strengthen the connections between the existing retail core (Market Place/Market Hall Street) and the newly opened Asda store.
- The role of the Avon Plaza scheme in strengthening the viability and vitality of Cannock Town Centre.
- The role of the Avon Plaza scheme in providing additional hotel bed spaces and a range of leisure attractions thus strengthening the visitor economy.
- The provision of a major facility in an accessible location which will cater for all age ranges and all the communities of Cannock Chase District.

Willingness to Licence

- 3.5 The Cabinet of Cannock Chase Council have already given informal consideration to the proposal to establish a casino within the District. A copy of the notes of the Cabinet Briefing of 8 December 2005 are annexed to this document. This confirms the Cabinet's interest in having an appropriately located casino within the District. However, this does not preclude the need to obtain an appropriate licence as required by the relevant legislation.

Probability of Implementation

- 3.6 There is considered to be an extremely high probability of implementation for the Cannock Casino proposals if support was forthcoming from the Casino Advisory Panel. There are numerous reasons for this optimism; these include:-

- The existence of an appropriate site in a highly accessible location.
- The incorporation of the Cannock Casino proposals within a larger leisure based complex thus providing opportunities for young people, families and adults.
- Active interest in pursuing the casino proposals from a local developer (Pritchard Holdings Plc) who would wish to form a partnership involving the Council to ensure delivery of the casino proposals.
- Expressions of interest from a number of established gaming clubs/casino operators.
- The bulk of the site already in the ownership of Cannock Chase Council and Pritchard Holdings, with the remaining plots in the process of being acquired.
- No apparent policy objections to the modifications that would be required to the extant planning permission for the Avon Plaza scheme.
- No disturbance to residential locations.

3.7 In addition to the above it should be noted that within the immediate catchment area (a 15 mile radius), there is only one existing casino, the Grosvenor Casino, located close to Junction 10 of the M6 Motorway. Whilst this is located adjacent to a multi-screen cinema, it is effectively a free-standing facility, with no physical connection to other leisure facilities, nor does it have a hotel directly associated with it. Furthermore, the building it occupies is of outmoded design and fails to provide for the needs of modern gaming facilities.

Regional and Local Context

3.8 Cannock Chase Council is currently pursuing the production of a Local Development Framework (LDF) which will establish the principles for future land-use planning across the District. It will replace the current Cannock Chase Local Plan which was adopted in March 1997. The Local Plan does not include any specific policies or proposals for casinos. If support is forthcoming for the Cannock Casino proposals, it is anticipated that the emerging LDF will need to include appropriate guidance to support the implementation of the Cannock Casino proposals as part of the Avon Plaza scheme.

3.9 At the regional level, the Regional Spatial Strategy (RSS) is currently being reviewed. It is unlikely that there will be any significant change to the existing philosophy of the RSS which seeks to consolidate growth and investment into specific locations within the West Midlands Region including a series of Regeneration Locations which includes Cannock. In this context, seeking to establish a large or small scale casino within Cannock Town Centre appears to be in accord with the objectives of the RSS and should secure the support of the Regional Planning Body.

CANNOCK CHASE COUNCIL

NOTES OF THE CABINET BRIEFING MEETING

4.30 P.M. ON THURSDAY, 8 DECEMBER 2005

CIVIC CENTRE, BEECROFT ROAD, CANNOCK

PRESENT: Councillors:

Stanley, N.K.	(Policy & Resources Leader)
Butler, R.D.	(External Partnerships Leader)
Ansell, Mrs. P.A.	(Access to Skills & Economic Development Leader)
Bernard, Mrs. A.F.	(Health Leader)
Davies, D.N.	(Environment Leader)
Grocott, M.R.	(Culture & Sport Leader)
Williams, B.	(Social Inclusion and Housing Leader)

Officers:

Trigg, W.L.	(Deputy Chief Executive)
Kenny, Mrs. A.	(Monitoring Officer)
Challoner, M.	(Chief Executive's Secretariat)
Swan, Mrs. N.	(Chief Executive's Secretariat)

1. Notes of Briefing Meeting

The notes of the Briefing Meeting held on 1 December 2005 were received.

2. Member/Officer Relations Protocol

Members noted a report of the Monitoring Officer for submission to Cabinet on 15 December 2005.

3. Recycling within the District

Members noted a progress report of the Director of Public Health and Policy. Information relating to the Council's performance was circulated at the meeting.

4. Items from DMT

Casino in the District

The Deputy Chief Executive reported that correspondence had been received from the Department of Culture, Media and Sport (DCMS) regarding the location of a Casino within the West Midlands.

It was agreed to respond to the DCMS indicating that subject to a suitable location, the Council would be interested in having a small, medium or large casino within the District.