

**Executive**

**On 21<sup>st</sup> March 2006**

Report Title: **Casino Proposal at Alexandra Palace**

Forward Plan reference number (if applicable): **N/A**

Report of: **Director of Environmental Services**

Wards(s) affected: **All**

Report for: **Non-Key Decision**

**1. Purpose**

1.1 The report seeks Member approval for the submission of a substantive proposal to the Department of Culture, Media & Sport's Casino Advisory Panel for the purpose of securing the Secretary of State's consent for a small casino at Alexandra Palace.

**2. Introduction by Executive Member**

2.1 You will be aware of our attempts over many years to reach an agreement on a package of measures which will secure the future of the Palace and Park. I believe not only can we achieve that aim, but also hasten the redevelopment of Haringey Heartlands and further the economic regeneration of the Borough as a whole. To do this, we need to ensure that the planned casino is acceptable to the Secretary of State for Culture, Media & Sport, by first agreeing in principle to the proposal ourselves.

**3. Recommendations**

3.1 To permit the Chief Executive in consultation with the Leader of the Council to submit a detailed proposal for a small casino at Alexandra Palace, to the DCM's Casino Advisory panel by the 31<sup>st</sup> March 2006.

Report Authorised by: **Anne Fisher, Director of Environmental Services**

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Contact Officers: **Shifa Mustafa, Assistant Director,  
Planning, Environmental Policy & Performance on 020 8489 5538**

**Mark Lucas, Head of Strategic Sites & Projects, on 020 8489 6908**

#### **4. Executive Summary**

- 4.1 The Firoka proposals for Alexandra Palace include plans for a small casino. Following the Leader's conference on the Palace & Parks in March, it has emerged that we need to submit a substantive proposal to the DCMS (for establishing a small casino in Haringey), by the end of March 2006.
- 4.2 The invitation from the Government's Casino Advisory Panel, for proposals from local authorities for "regional", large or small casinos, (which will be limited in the number permitted) is a consequence of the new Gambling Act recently passed by Parliament.
- 4.3 In making a submission, we will effectively be in competition with other interested local authorities within the small casino category of which only eight such new establishments will be permitted under the Act.
- 4.4 We are required through the formal proposal process to demonstrate the economic and regeneration benefits to the area, together with the necessary Council resolution(s) and a "willingness to licence" i.e. grant a premises licence to a casino within our jurisdiction.

#### **5. Reasons for any change in policy or for new policy development (if applicable)**

- 5.1 N/A

#### **6. Local Government (Access to Information) Act 1985**

- 6.1 Casino Advisory Panel Call for Proposals 31<sup>st</sup> January 2006.
- 6.2 Dept. for Culture, Media and Sport News Release 31 January 2006.
- 6.3 LBH Community Strategy
- 6.4 LBH Unitary Development Plan
- 6.5 LBH Statement of licensing Policy
- 6.6 LBH Cultural Strategy

## 7. Background

- 7.1 The Alexandra Palace & Park Board is desirous of reaching an agreement with its preferred developer (Firoka) for a comprehensive mixed-use development scheme. It is likely that if this scheme is of sufficient scale, mix and impact, it will not just secure the long term viability of the Palace & Park, but also support economic growth and successful regeneration within 'Haringey Heartlands', Wood Green Town Centre and Haringey as a whole.
- 7.2 Since part of the new mix of the entertainment and leisure uses envisaged for the revival of the Palace & Park is a proposal for a small casino, (within the planned hotel complex) it is necessary to begin the process now of seeking Secretary of State's consent for the establishment of a small casino, in this location, in accordance with the Gambling Act 2005. It is assumed consent would take the form of an "Operating Licence".
- 7.3 The Department of Culture, Media & Sport established an independent Casino Advisory Panel under the chairmanship of an academic, Professor Stephen Crow to advise the Secretary of State on the locations for new casinos in England, Scotland and Wales. Section 175 (1) to (3) of the Act sets out the overall limits for casino premises licences as no more than one regional ('super) casino, eight large casinos and eight small casinos.
- 7.4 The Government expects that the regional casino will have a minimum total customer area of 5,000 m<sup>2</sup>, and be permitted to have up to 1,250 Category A jackpot machines, which will be able to offer unlimited stakes and prizes. Large casinos will have a minimum total customer area of 1,500 m<sup>2</sup>, and be permitted up to 150 Category B gaming machines, with a maximum jackpot of £4,000. **Small casinos will have a minimum total customer area of 750 m<sup>2</sup>, and be permitted to have up to 80 Category B gaming machines, with a maximum jackpot of £4,000.** The one regional and eight large casinos will be permitted to offer bingo, and **all three categories will be permitted to offer betting.**
- 7.5 To date, the Casino Advisory Panel has received 75 expressions of interest in new casinos as shown in the table below: -

Type of Casino	Number of Expression of Interest
Regional (including indeterminate responses)	47
Large	6
Small	8
Additional Mixture of the above	5
Additional One of the above	9
<b>Total</b>	<b>75</b>

- 7.6 This suggests there is marginally less local authority interest in the large casino category and may beg the question whether there is scope for a 'large' casino within the Firoka scheme.

## 8. Description

### 8.1 Specific Information

Authorities making proposals are asked to submit evidence and information under each of the following headings:

- Type of area
- Social impact
- Need for regeneration
- Willingness to licence
- Probability of implementation
- Regional Context
- Community benefits
- Unique characteristics

8.2 We will need to demonstrate that the proposal (for a small casino at Alexandra Palace) is consistent with the Council's:

- Community Strategy
- Unitary Development Plan
- Statement of Licensing Policy
- Cultural Strategy

8.3 Officers' initial assessment of the Firoka scheme in relation to the above policy documents and Casino Advisory Panel criteria suggests a reasonable case can be made to CAP on the following terms; summarised below.

### 8.4 Community Strategy 2003-2007

The relevant targets being: -

- *Develop Civic Pride*
- *Better access to jobs and training*
- *Support business and attract investment*
- *Promote opportunities for relaxation and enjoyment*
- *Develop key sites, town centre and the Upper Lee Valley programme*

### 8.5 Unitary Development Plan

The relevant policy references are: -

- **Policy G7 Creative, Leisure and Tourism**  
*The cultural Quarter (Wood Green) and Tottenham Green will be focal points for new creative, leisure and tourism development.*
- **Centre Area (Spatial Interpretation of the Council's Overall Objectives)**
  - *Protect and enhance Wood Green as a metropolitan town centre*
  - *Promote and enhance major visitor attractions*
  - *Managing a 24 hour economy*
  - *Protect the areas built heritage*

■ **The Heartlands/ Wood Green**

*(1.9) Any development should create a vibrant and attractive new urban quarter, which acts as the Civic and cultural heart of Haringey, integrating with and benefiting wider communities. Proposals for the Heartlands will not only provide guidance for the core itself, but will also help support the Wood Green Town Centre and consolidate the cultural quarter. Linkages between the core site and the town centre need to be improved. This site provides a unique regeneration opportunity in North London to create a new heart for the borough that links its western quarter in an economically deprived area.*

■ **OS3: Alexandra Park & Palace**

*(c). Facilitate the restoration of the fabric of the building*

*(e). Provide a range of uses for the Palace, which complement the outdoor activities in the Park and complement as far as possible the function of Wood Green Metropolitan Town Centre. It is considered that the Palace should be used primarily for a mixture of arts, cultural and entertainment, educational, sport and recreation and other used within the D1 (non-residential institutions) and D2 (assembly and leisure) Use Classes. Within the existing cartilage of the Palace some ancillary use for food and drink (use class A3), conference purposes may be acceptable as part of a mixed-use scheme.*

*(L). Be necessary to secure the restoration and future viable use of the Palace.*

8.6 **Licensing Policy**

This aspect is dealt with at paragraph 15 of the report (see comments of the Assistant Director of Environmental Services – Enforcement).

9. **Consultation**

- 9.1 There has been relatively little time to have embarked on any dedicated public or stakeholder consultation given that the selection of Firoka, as preferred developer for the Palace has only recently been announced, together with tight deadlines for casino proposals for consideration by the Panel, and the earlier deadline for ‘expressions of interest’ having already passed.
- 9.2 However, all of the relevant policy and strategy documents referred to at paragraph 8.2 of this report have undergone various stages of public and stakeholder consultation before being adopted by the Council.
- 9.3 So far as proposals submitted to the Casino Advisory Panel are concerned, the DCMS have stated that shortlisted proposals (sifted from those submitted by 31<sup>st</sup> March 2006) will be dealt with in the following manner:
- 9.3.1 The Panel will consider the information and material submitted by proposing authorities and may also seek such further and better information as it considers necessary. All proposals will be considered carefully against the Panel’s terms of reference and Government policy. Selected proposals for the regional casino will be considered through the medium of Examination in Public (EiP).

- 9.3.2 The Panel will also consider representations from other individuals and organisations concerning the location of a casino in their area. The Panel may additionally seek information from any organisation or individual on matters that it considers are material to its decision making. Further details on the process will be published once the Panel has had an opportunity for early appreciation of proposals submitted.
- 9.3.3 The Panel is also seeking on its own initiative appropriate background material to the questions involved. On the basis of all relevant information obtained, the Panel will select proposals to take forward for further examination and recommendation.
- 9.3.4 All submitted material will be in the public domain, and therefore evidence of a confidential nature will not be accepted.
- 9.3.5 The Panel is expected to submit its final report to the Secretary of State in December 2006.

## **10. Financial Implications**

- 10.1 Inclusion of a small casino is deemed to be a significant element in the redevelopment package prepared by the preferred developer and accepted as much by the AP&P Board. Failure to achieve this will make the task of securing a financially viable and sustainable future and operation of the Palace as a 'destination' of local and London-wide and national/ European significance all the more harder to achieve.

## **11. Summary and Conclusions**

- 11.1 In summary, if members are minded to support the inclusion of a small casino within the mix of leisure and entertainment uses proposed by Firoka, then the provisions of the Gambling Act 2005 require a formal proposal to be submitted to the Casino Advisory Panel by the end of this month; [31<sup>st</sup> March 2006].

## **12. Recommendations**

- 12.1 To permit the Chief Executive in consultation with the Leader of the Council to submit a detailed proposal for a small casino at Alexandra Palace to the DCMS' Casino Advisory Panel by the 31<sup>st</sup> March 2006.

## **13. Comments of the Director of Finance**

- 13.1 The mixed-use redevelopment package proposed for the Alexandra Palace & Park by the preferred developer (Firoka) is a serious attempt at securing the long term future regeneration and financial viability of the Palace & Park as a stand alone and successful organisation. The inclusion of a casino is an integral part of the redevelopment package, exclusion of which may jeopardise the whole redevelopment scheme and projected added benefits for the borough as a whole.

## **14. Comments of the Head of Legal Services**

- 14.1 The report sets out the main implications under the Gambling Act 2005. The Executive can authorise the Chief Executive to submit the proposal to the Casino Advisory Panel by the end of March. Making such a proposal would not compromise proper decision-making by: (1) the AP&P Board when it considers whether to agree terms with Firoka for the future leasing and re-development of the

Palace, or (2) the Council as Licensing Authority, or (3) the Council as Planning Authority, when considering specific applications for consent to proposals involving a casino.

## **15. Comments of the Assistant Director of Environmental Services (Enforcement)**

15.1 The Casino Advisory Panel that advises the Secretary of State for Culture Media and Sport has issued guidance on the test of “willingness to licence”

Evidence should include

- Council resolutions in favour and relevant supporting Council meeting minutes,
- Details of any local pre-existing polling or market research to establish the extent of support among the area’s population,
- Details of any local consultations,
- Resolutions of support by the Local Strategic Partnership,
- Relevant tourism or leisure strategies, or local plans which demonstrate the extent of consideration and commitment,
- Details, including contact details, and key issues raised in correspondence from any national or local organisations or individuals who have expressed either:
  - support for a casino in your area
  - or objections and concerns that a new casino should not be licensed in your area,
- Details of engagement with such groups or individuals, points raised and responses to them.

15.2 The only current and relevant Haringey licensing policy is in relation to the licensing of Amusement With Prizes (AWP) machines and the issue of permits under section 34 of the Gaming Act 1968. Following the transfer of responsibilities under the Licensing Act 2003, responsibility for licensing of AWP machines in alcohol licensed shifted to the local Licensing Authority. In response Members of the Licensing Committee in December 2005 revised their previous nil; resolution policy on AWP machines. The effect of this revision is that Gaming Act 1968 permits are not now be granted or renewed by the Council in respect of premises:

- (i) that are not licensed for the supply of alcohol under section 18 of the Licensing Act 2003; or
- (ii) that are hotels and or restaurants which serve alcohol only as an accompaniment to meals; or
- (iii) which are not wholly or mainly used for the provision of amusements with prizes.

- 15.3 The Council will grant or renew Section 34 Gaming Act 1968 permits for a maximum of two amusement with prizes gaming machines on premises without the need for a hearing, but that if an applicant requests more than two such machines on premises, then a hearing before a Sub-Committee will be required.
- 15.4 The Gambling Act 2005 will require all local authorities to consult and approve local policy statements which include a commitment to four licensing policy objectives contained in the Act.
- preventing gambling from being a source of crime or disorder, being associated with crime or
  - disorder or being used to support crime;
  - ensuring that gambling is conducted in a fair and open way; and,
  - protecting children and other vulnerable persons from being harmed or exploited by gambling.
- 15.5 Officers are currently drafting a proposed policy for Member agreement before consultation over the summer. It is anticipated that Members will be asked to adopt a gambling licensing policy statement in September 2006.
- 15.6 Whilst it is not possible to prejudge the content of a future policy statement or any decision made in relation to an application made by a licensing panel, it is reasonable to assume that any application made which demonstrated that an operator would seek to robustly promote and abide by the policy licensing objectives should in principle be successful.

## **16. Equalities Implications**

- 16.1 If successful, ambitious and wide ranging development plans for the future use and operation of Alexandra Palace could make a major contribution to the potential for further inward investment, visitor attraction, tourism and wealth creation necessary to achieve economic growth and regeneration in Haringey.
- 16.2 Such an impact would be of particular benefit to black and minority ethnic communities and socially excluded neighbourhoods.