



# British racing industry roadshows 2017

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One voice on the future of British racing

York  
Racecourse  
27 February

Musselburgh  
Racecourse  
28 February

Cheltenham  
Racecourse  
2 March

Newmarket  
Rowley Mile  
3 March







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# Welcome to our third series of annual, British racing industry roadshows, which are designed to update you on the latest news and developments and offer you the opportunity to feedback and discuss how we can all work together to grow our sport.

Through the tripartite structure, which brings together the British Horseracing Authority, the Horsemen's Group, the Racecourse Association, together with Great British Racing, we welcome the opportunity to update you on our strategy and the progress we're making on a range of growth and foundation initiatives.

While there is a long way to go, we've already made some good progress against the ambitious targets we first shared with you in 2015, which remain:

- **1,000 additional horses** in training by 2020
- **Betting participation levels up 5 per cent** by 2018
- **Racecourse attendances to reach 7 million** by 2020
- **£120 million extra income** for the sport per annum by 2018.

At the close of 2016, we have recorded 500 additional horses in training. The real goal here is to increase

racehorse ownership and there has been a drive towards promoting syndicate ownership in particular. Recently, Great British Racing launched the In The Paddock website which promotes syndicates and a code of conduct for syndicates has been included in the rules of racing.

Our sport remains a hugely attractive betting product, with total betting activity growing by 2 per cent since 2014 and online betting now overtaking retail. Never before has there been so much sports betting available and we must work hard to protect and grow our share of an increasingly global, online marketplace.

Despite a competitive leisure market, nearly six million people went racing in 2016, with the sport recording its third highest attendance figures in the last 10 years and regaining its spot as the second best attended sport after football. But we must do more to increase



the popularity of racing as a sport and a spectacle to a wider audience. We are excited by the opportunities that the new broadcaster, ITV, presents in making racing more accessible to new fans.

Crucially, our efforts to gain extra funding for the sport have achieved a significant step forward with the announcement of a new Levy model which will capture all betting on our sport. It is expected to bring in an additional £30 million in Levy receipts and will be implemented at a rate of 10 per cent on a betting operator's gross profits on British racing, representing a fair and proportionate return for racing. Over the past few years, as Levy receipts have fallen to less than £50 million, British racing has been able to maintain expenditure levels at around £73-£76 million only as a result of voluntary payments from bookmakers and through utilisation of Levy Board reserves, which have now reached a minimum level. The Levy replacement will put our sport's finances

on a long-term, sustainable basis by enabling us to maintain and, in due course, increase expenditure as monies start to flow through to racing.

The implementation of a new Levy brings with it tremendous opportunities to grow the appeal of our sport, to become more relevant to the betting world, and to reinvest more at the grassroots. As a result of this, and the other work which we are undertaking, racing has an exciting future and one in which together, we can achieve much in 2017 and beyond.

We look forward to sharing our progress and plans with you and to hearing directly from you.

- Nick Rust**, Chief Executive, British Horseracing Authority
- Stephen Atkin**, Chief Executive, Racecourse Association
- Philip Freedman**, Chairman, The Horsemen's Group
- Rod Street**, Chief Executive, Great British Racing

# In 2015, we published four growth targets for our sport against a 2014 baseline. We have since witnessed growth in a number of these important areas.

## Our targets

- 1,000 additional horses in training by 2020
- Betting participation levels up 5 per cent by 2018
- Racecourse attendances to reach 7 million by 2020
- £120m extra income for the sport per annum by 2018

## Challenges

- Sole ownership in decline
- Shortage of skilled stable staff
- Statutory Levy forecast to drop under £50m in 2017; Levy reserves now at a minimum
- Need to develop a constructive partnership with the British betting sector
- Low returns to horsemen at grassroots level



## Progress in 2016

<b>£30-£40m</b>	<b>£10m+</b>	<b>2%</b>	<b>ITV</b>
Potential increase in revenue to be raised by new Levy	ABP scheme expected to raise more than £10m in extra revenue in 2016/17	Growth in total betting activity since 2014	Racing enters exciting new era with new terrestrial broadcast partner
<b>£8m</b>	<b>Ownership decline halted</b>	<b>505</b>	<b>3%</b>
Prize money paid to industry via Plus 10 bonus scheme	For first time since 2007 ownership levels grew in 2016	Additional horses in training since 2014	Growth in number of syndicates and partnerships
<b>In the Paddock</b>	<b>2.9%</b>	<b>12%</b>	<b>Fixture list</b>
New website launched to promote syndicates	Growth in racecourse attendance from 2014	Growth in prize money since 2014 to almost £138m	New approach to maximise betting and attendances, while meeting needs of participants, consumers and the media
<b>Competitive and compelling racing</b>	<b>4.7%</b>	<b>639,000</b>	<b>5.4m</b>
Delivery of a number of innovative race planning initiatives	Growth in races with eight-plus runners since 2014	Visits to <a href="http://careersinracing.com">careersinracing.com</a>	Total digital reach and social media following of racecourses, participants and industry

# RACING

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## Objectives

1. To create a fixture list to optimise growth in attendances and betting, and which meets the needs of horsemen.
  2. To ensure that the race programme supports the requirements of the horse population.
  3. To improve financial returns at the grassroots level.
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## Progress in 2016

- Concluded industry consultation on 'holistic race planning', gaining widespread support to implement an improved approach for creating a race programme to benefit horsemen, racecourses and the wider industry
  - Developed a major package of enhancements to improve the two-year-old programme, including the conversion of maiden races to novices which will provide more opportunities for two-year-olds and improve field sizes without impacting the competitiveness of races
  - Implemented alterations to the weight-for-age scale to reduce advantage received by three-year-olds in the interests of fairness and competitiveness
  - Launched the Northern Lights series to provide mid-tier jump horses with increased opportunities in the north via five series and culminating in a lucrative finals day
  - Announced renewal of popular Veterans' Chase and Challenger series
  - Worked with the European Pattern Committee to upgrade prominent stayers' races across Europe, supported by a substantial investment in prize money, and further enhancements at grassroots level
  - Launched the trial of an innovative approach to race conditions regarding handicapping in flat conditions stakes races to encourage trainers to enter horses in conditions races and increase field sizes
  - Announced an initiative to support the juvenile hurdlers' population by creating a pathway for horses who could be introduced into jump racing following on from their flat careers.
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## Priorities for 2017

- Lead an industry-wide project to introduce a strategic approach to the distribution of Racing Authority funding, including the fixture list and race programme, which best supports the future growth of the sport
- Complete the rollout of holistic race planning with the aim of matching the race programme with the requirements of the horse population
- Continue to develop the BHA's approach to handicapping, including objectives and methodology.



# BETTING

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## Objectives

1. To deliver improved and sustainable funding from betting on the sport.
2. To ensure a smooth transition for the responsibility of distribution of funds between the Horserace Betting Levy Board to the newly-established Racing Authority, and ensure the integration of funding with the sport's wider objectives for the fixture list and programme.
3. To build relationships with betting operators.

## Progress in 2016

- Government confirmed its intention to replace the Horserace Betting Levy by April 2017 to close an offshore loophole and ensure a fair and sustainable return from all betting on the sport
- Progress made with EU approval and required new legislation
- Eight offshore-based operators signed up to British racing's Authorised Betting Partner scheme
- Considerable progress towards the establishment of the Racing Authority.

## Priorities for 2017

- Implementation of the new Levy
- Smooth transition from the Horserace Betting Levy Board to the Gambling Commission and Racing Authority as the collection and distribution bodies respectively
- Develop a modern, working relationship with all forms of betting operator, based on mutual interests under the new Levy
- Improve interaction with a key customer group through the Horserace Bettors' Forum.



# CUSTOMER GROWTH

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## Objectives

1. Grow racing's audiences and thereby help increase racecourse attendance to 7 million by 2020.
  2. Develop a strong partnership with racing's new broadcaster ITV.
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## Progress in 2016

- Third highest attendance in 10 years recorded, with racing regaining its position as the second best attended sport in the UK
  - Digital-led national come racing campaign promoting 'kids go free' message
    - 10,000 visits to the #NotKidding hub on the GBR website
    - 1,000 click out to individual racecourse websites
    - Campaign reached 1.75 million users on Twitter alone
  - Working closely with ITV ahead of their first year of broadcasting
  - Audit of racing's digital landscape completed
    - Best practice guide distributed amongst industry to maximise effectiveness.
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## Priorities for 2017

- Expand national campaign promoting free racing for under-18s, to be launched in the summer of 2017
- Leadership, with the RCA, of the Insight = Growth project, which has provided us with the broadest data warehouse in sport and is helping racecourses to market in a smarter and more efficient way, through bespoke plans to:
  - Attract new customers
  - Secure earlier ticket sales
  - Increase customer retention.



# OWNERSHIP

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## Objectives

1. Attract new racehorse owners and improve retention levels.
2. Promote the thrill of ownership with a focus on syndicates.
3. Enhance the ownership experience, both on and off the racecourse.
4. Simplify and modernise the administration of racehorse ownership.
5. Identify opportunities to encourage owners to retain quality stock for breeding and racing their horses in Britain.

## Progress in 2016

- The Racehorse Owners Association undertook the *National Survey of Racehorse Owners*, the largest survey of racehorse owners ever conducted in Britain. Insight from the survey will play a key role in shaping future initiatives to recruit and retain owners
- New website [InThePaddock.co.uk](http://InThePaddock.co.uk) launched by Great British Racing promoting shared racehorse ownership
  - Website received 4,000 unique visitors in its first week
  - 80 syndicates registered to date
- Substantially completed development work to improve ownership administration with a new Racing Administration website set for a spring 2017 launch
- Initiated a project to liberalise owners' colours including an auction of never-before-seen colours and a trial allowing owners to design premium colours
- Along with the Thoroughbred Breeders' Association, launched the #thisfillycan campaign to promote the benefits of buying, owning and training fillies and mares on the flat.

## Priorities for 2017

- Reform racehorse administration and costs of ownership including:
  - New Racing Administration website to eliminate most paper forms and provide free and easy access to a wealth of information
  - Modernisation of registration structures to better reflect the way in which people own horses today and to simplify administration
  - Consolidation of owners' re-registration costs and removal of some fees
- Introduction of a code of conduct for syndicates and a registration process for individuals managing syndicates
- Continue to promote shared ownership through In The Paddock website
- Further liberalisation of colours, including a premium option for those wishing to design their own colours.



# INTEGRITY AND REGULATION

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## Objectives

1. To identify and implement improvements to the operation of the BHA's disciplinary, appeal and licensing functions to ensure they remain legally robust and would withstand legal challenge, and to deliver the highest standards of fairness for participants.
2. To continue to evolve a regulatory and integrity framework that ensures improved confidence amongst participants and the racing and betting public.

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## Progress in 2016

- Conducted a review, led by independent sports regulatory expert Christopher Quinlan QC, of the structure, composition and processes of the BHA's Disciplinary Panel, Appeal Board and Licensing Committee
- Commenced implementation of Mr Quinlan's recommendations, including the appointment of His Honour Brian Barker C.B.E. QC as the BHA's first independent Judicial Panel Chairman
- Commenced implementation of the recommendations from the Integrity Review, including:
  - Appointment of a raceday integrity analyst
  - Improved integrity team visibility
  - New Investigation Charter and guidance
  - Revised penalties for minor breaches
  - New guidelines on timeframe for Disciplinary Panel decisions.

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## Priorities for 2017

- Facilitate the appointment by the Judicial Panel Chairman of members and chairs for the new Disciplinary and Licensing Panel and complete implementation of remaining recommendations from the Quinlan Review
- Establish the new stakeholder integrity forum to provide a platform for the BHA to engage with industry stakeholders on integrity-related matters
- Complete the legal drafting process of our rewrite of the rules of racing
- Embed a new strategic and tactical tasking group, based on the National Intelligence Model, to resource and prioritise investigations appropriately
- Expand our strategic focus on education, protection and prevention in relation to integrity matters to better help the majority of our participants who abide by the rules
- Finalise the equine welfare strategy
- Improve the capture, analysis and benchmarking of welfare data
- Develop an alternative "fast-track" system to improve the time taken to investigate and resolve matters.

# INDUSTRY STAFFING

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## Objectives

1. Attract new entrants into the industry through the provision of an extended and flexible range of gateways.
2. Provide a comprehensive portfolio of progressive vocational training and development for jockeys, stud and stable staff and other key industry roles.
3. Support the retention of new and existing staff through programmes of training, health, welfare and sustainable living initiatives.

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## Progress in 2016

- Significant growth in new entrants into racing and current employees undertaking further training, including:
  - More than 280 new entrants undertook foundation training at the racing schools
  - More than 1,200 people participated in training at the Racing Schools
  - More than 200 racing staff participated in new regional training initiative
  - 2,057 racing-related qualifications achieved
  - 396 stable staff involved in health related 'Tackroom Talks'
- Free industry job site, careersinracing.com, received 639,000 hits in one year
- Writtle College/British Racing School transition course piloted with new initiative for equine college students to be launched in 2017
- The BHA and Racing Welfare signed the Mental Health in Sport Charter and implemented an action plan to raise awareness of the support networks available in racing
- The BHA won Sports Coach UK National Governing Body of the Year.

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## Priorities for 2017

- Implement a new funding model that supports an industry recruitment, retention, training and education programme
- Deliver an extended framework of training and development to prepare potential racehorse trainers in advance of their application for a licence to practice
- Develop a central database to track prospective recruits through the enrolment fund, providing continued engagement with them, guiding them through choices and enticing them into the industry
- Improve industry safeguarding guidance and procedures for young people and vulnerable adults through the introduction of a standardised policy for the industry and provide implementation support to employers
- Develop the insurance options for the industry, prioritising improvements on the existing offering of healthcare, injury rehabilitation and occupational health for stable staff
- In partnership with the charity Mind, deliver on the key aims of the Mental Health in Sport and Recreation Charter.

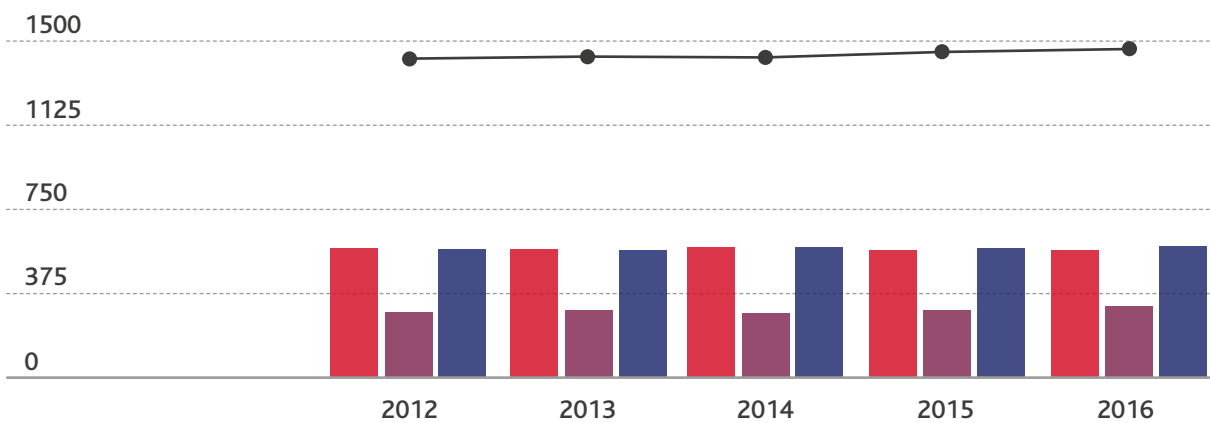
# 2016 RACING DATA

The key statistics which follow provide further detail on our sport's performance within key strategy areas.

## Fixtures

The 2017 fixture list included developments around four key objectives: increasing betting, growing attendances, improving efficiency for participants and growing consumer interest. Headline enhancements included year-round racing on Saturday evenings, bolstering of prize money on Sunday, Monday and Tuesday, code breaks for participants and moving some twilight fixtures into the evenings.

Fixtures scheduled	2012	2013	2014	2015	2016
■ Flat turf	583	581	584	575	572
■ Flat all-weather	293	307	296	307	317
■ Jump	580	576	584	589	594
● Total	1,456	1,464	1,464	1,471	1,483

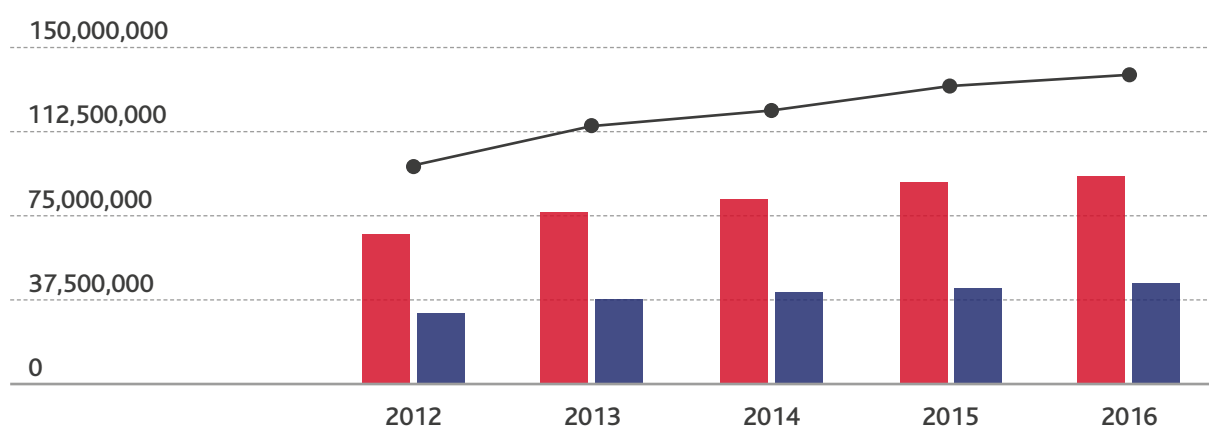




## Prize money

Prize money advances have recently been concentrated at developing feature races and improving quality, with a view to increasing customer engagement in the sport. When the funds start flowing from the new Levy, there will be focus on the grassroots of the sport.

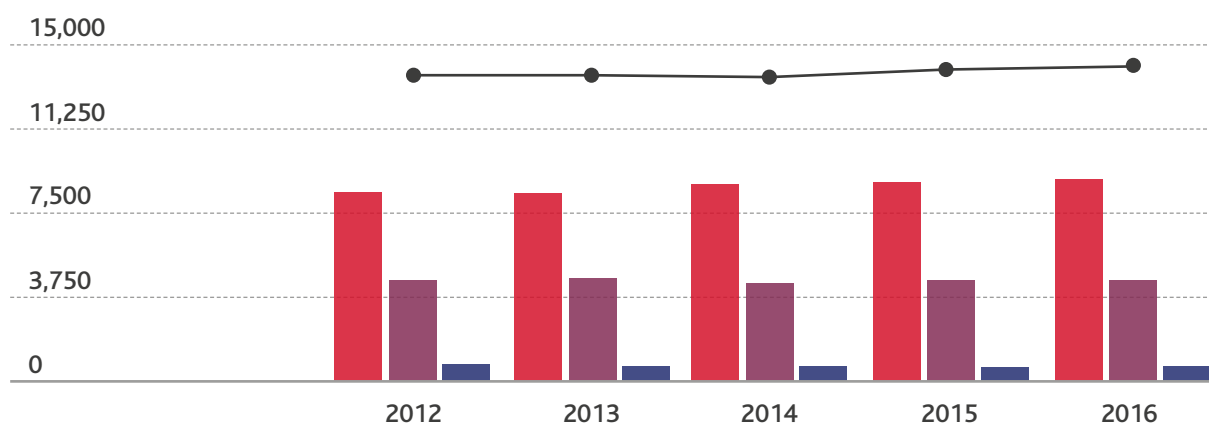
Total prize money (£)	2012	2013	2014	2015	2016
■ Flat	66,021,664	75,902,842	82,380,064	89,736,320	92,354,184
■ Jump	31,756,697	38,319,854	40,608,664	42,415,442	45,238,900
● Total	97,778,361	114,222,696	122,988,728	132,151,762	137,593,084



## Horses in training (monthly average)

We have witnessed growth in the number of horses in training, however total numbers are still well below the 15,000 horses in training in 2008.

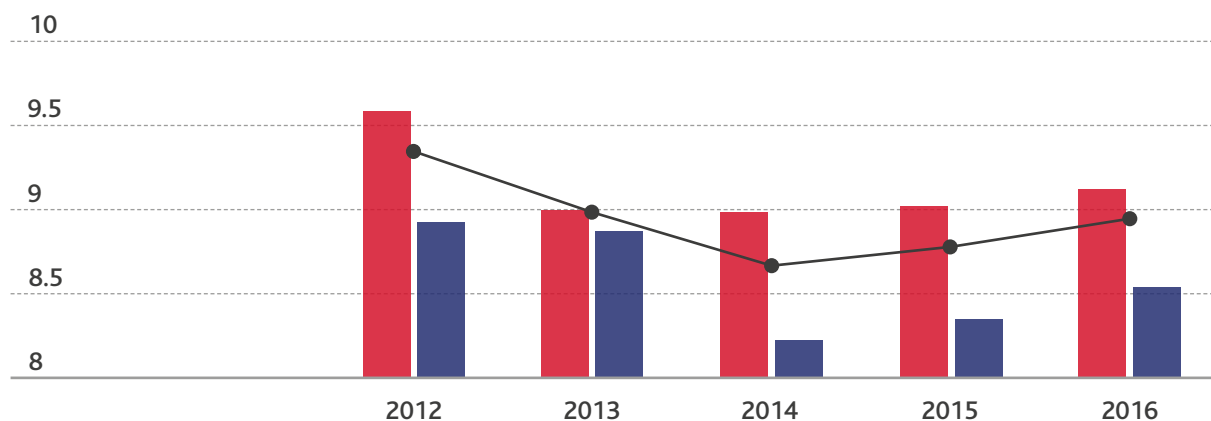
Horses in training (monthly average)	2012	2013	2014	2015	2016
■ Flat turf	8,471	8,440	8,525	8,715	8,824
■ Jump	4,420	4,452	4,309	4,397	4,435
■ Dual	647	632	635	616	639
● Total	13,716	13,703	13,528	13,886	14,033



## Average field size

Field sizes remain some way behind the levels witnessed in 2012, however it's encouraging to see the decline halted and a small, positive increase year-on-year.

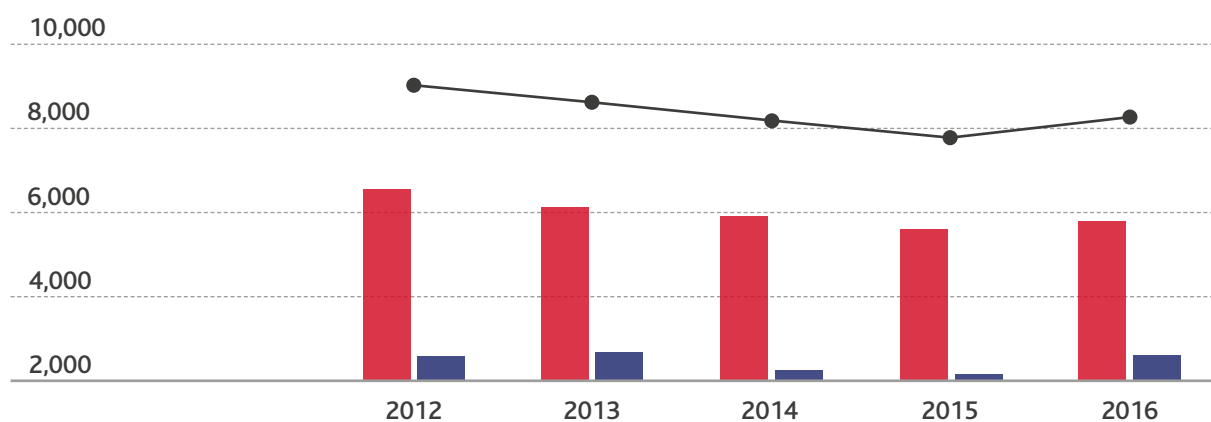
Average field size	2012	2013	2014	2015	2016
■ Flat	9.59	8.99	8.93	9.02	9.17
■ Jump	8.92	8.88	8.22	8.35	8.53
● Total	9.35	8.95	8.66	8.77	8.93



## Non-runners

Following a 7 per cent increase in 2016, we are conducting a review into non-runners, including the main situations in which non-runners occur.

Non-runners	2012	2013	2014	2015	2016
■ Flat	6,509	6,044	5,969	5,592	5,778
■ Jump	2,559	2,647	2,247	2,199	2,616
● Total	9,068	8,691	8,216	7,791	8,394

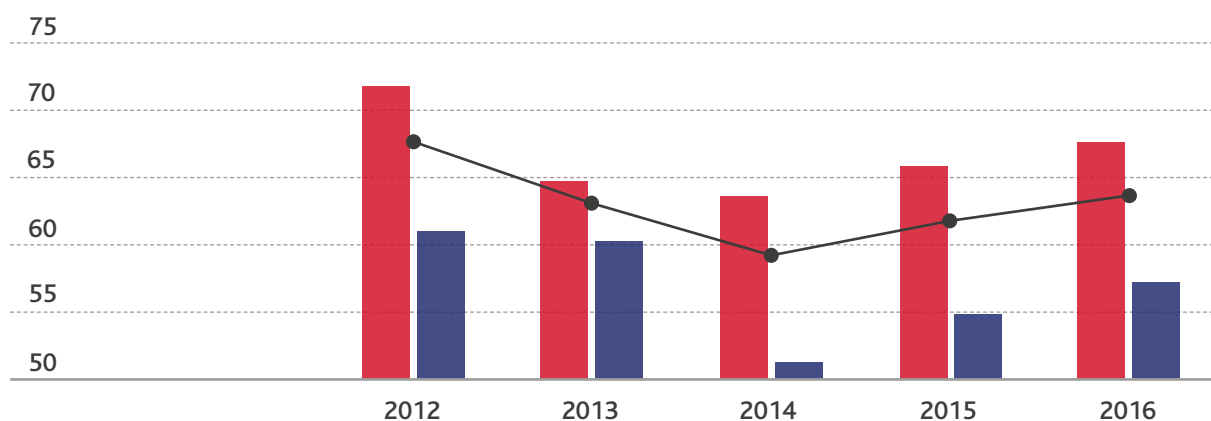


## Races with eight-plus runners

With industry support, the BHA has developed a more holistic approach to race planning, which will reduce race clashes and gaps, make better use of the available horse population and improve field sizes.

Growing field sizes is vital to the delivery of competitive and compelling racing, and has the added benefit of providing an attractive betting product. We have witnessed a decline in races with eight-plus runners since 2012, however the trend has been moving in the right direction over the past three years.

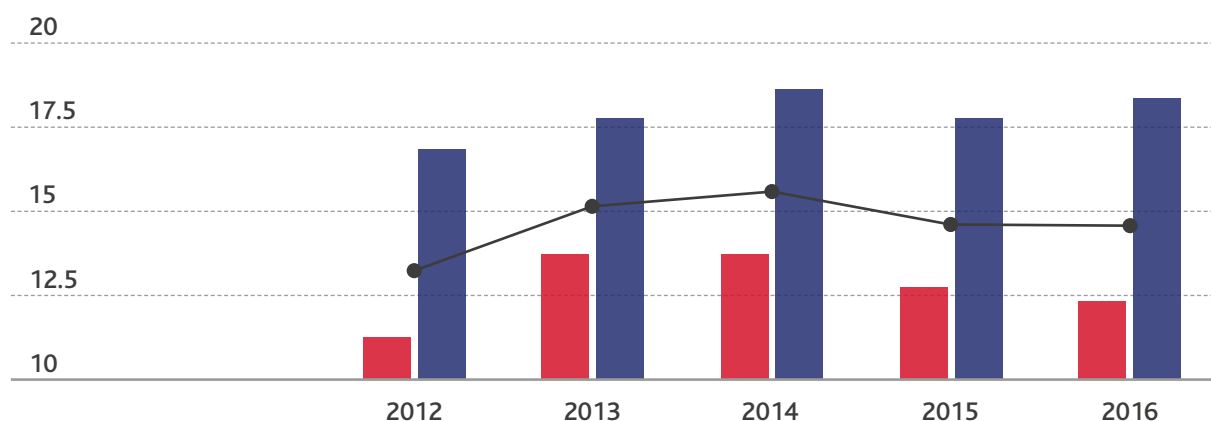
Races with eight-plus runners (%)	2012	2013	2014	2015	2016
■ Flat	71.9	64.8	63.9	65.9	67.9
■ Jump	61.0	60.3	51.3	54.8	57.2
● Total	67.9	63.1	59.2	61.7	63.9



## Races with odds-on favourites

Another important measure of the competitiveness of racing is that of races with an odds-on favourite. The percentage is stagnant year-on-year and we hope to see it decline as a result of various initiatives.

Percentage of races with odds-on favourites (%)	2012	2013	2014	2015	2016
■ Flat	11.2	13.7	13.7	12.7	12.3
■ Jump	16.9	17.8	18.6	17.8	18.3
● Total	13.3	15.2	15.6	14.6	14.6

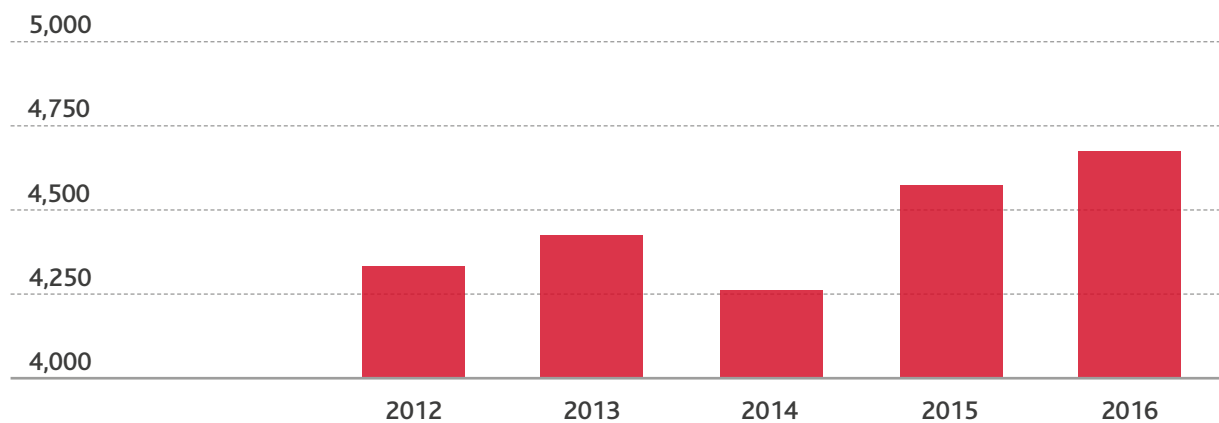




## Foals

Foal numbers in Britain have been rising steadily since 2013 when they reached their lowest ebb following the recession.

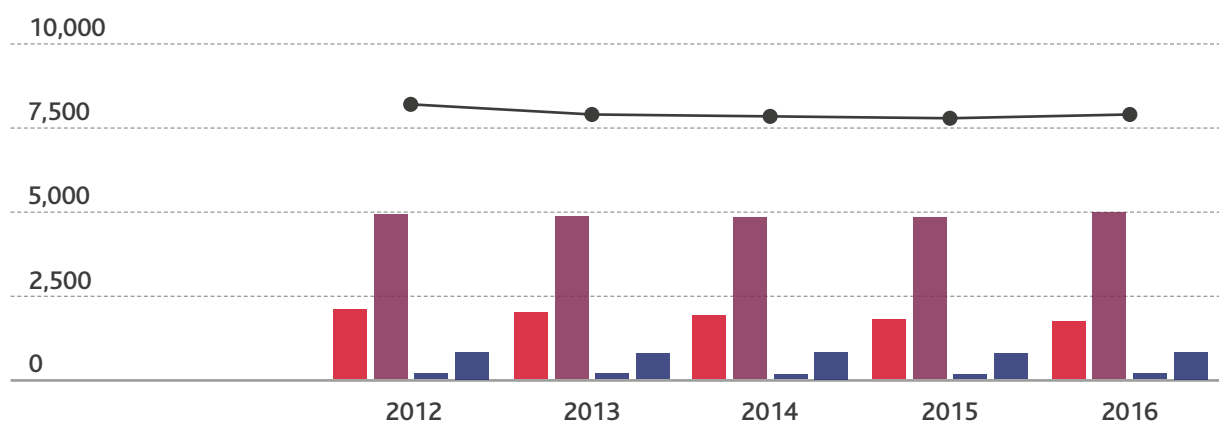
	2012	2013	2014	2015	2016
■ Foals	4,366	4,420	4,255	4,569	4,663



## Ownership

The decline in ownership levels has halted for the first time since 2007, when there were a total 9,550 registered owners. The main growth has occurred in partnerships and syndicates, an area which has grown by 3 per cent since 2014.

Ownership	2012	2013	2014	2015	2016
■ Sole owners	2,142	2,024	1,937	1,852	1,798
■ Partnerships and syndicates	4,924	4,814	4,859	4,922	5,007
■ Companies	234	234	228	220	221
■ Others	916	896	907	898	920
● Total	8,215	7,968	7,931	7,892	7,946



## Racecourse attendances

In 2016, racecourse attendances reached almost 6 million, despite an increased number of abandonments due to inclement weather. This represents the third highest level of attendances over the past 10 years and helped racing regain its position as Britain's second most-attended spectator sport.

Racecourse attendances	2012	2013	2014	2015	2016
■ Flat	3,574,705	3,662,365	3,690,873	3,866,064	3,737,774
■ Jump	2,008,510	2,023,444	2,129,963	2,262,008	2,249,393
● Total	5,583,215	5,685,809	5,820,836	6,128,072	5,987,167

