



Handicapping Review

UPDATE – OCTOBER 2018

Why review British handicapping?

- **Handicaps have become increasingly dominant within the British race programme. In 2016, 65% of all races were handicaps. Prior to 2006, they represented less than half of all races**
- **Handicaps are popular with the betting industry and its customers. An average handicap generates 10% more turnover than an average non-handicap race**
- **Handicaps are popular with Racecourses, partly because media-rights payments have become increasingly linked with field sizes. 69% of handicaps attract 8 runners compared with 55% of non-handicaps**
- **Yet handicaps can be a source of frustration for participants, especially since coming to dominate the calendar. Several areas of tension have developed. It is also perceived that handicaps, either in essence or evolved practice, can inspire undesirable behaviour**
- **Owners in particular perceive an unfairness to handicapping, partly due to a lack of accessible data and the opacity of some internal processes.**

Review objectives

- **To consider whether the current aims of handicapping are consistent with the sport's wider objectives for growth. Is the existing purpose of handicapping aligned with the needs of the sport's participants and customers?**
- **To assess whether the current methodology adopted by the BHA handicappers is the optimal approach to producing handicap ratings**
- **To review externally focussed operational matters with a view to considering how well they serve the sport**
- **To consider the internal workings of the handicapping department, including structural issues as well as day-to-day working practices.**

Review process

- **This review of BHA Handicapping was internal in scope but conducted independently**
- **It addresses four key areas of policy: the aims of BHA Handicapping, its methodology, operational matters and team structure. It should be noted that recommendations relating to the Handicapping Team structure have not been included in this summary**
- **Within the BHA, input was provided by representatives of the Board, the executive team and the senior management/leadership team. In addition, all 12 members of the Handicapping team were interviewed on a one-to-one basis**
- **A small number of confidential external consultations with relevant experts were also conducted but on the premise that this was predominantly an internal process**
- **This summary report comprises the key findings from this research and its resultant recommendations.**



Executive Summary

KEY RECOMMENDATIONS

Executive summary of key recommendations

Aims Of Handicapping

- Rewrite and publish the Aims of Handicapping via a mission statement based on core BHA values
- Predicate BHA Handicapping on objective and rigorously scientific data-interrogation to ensure its policies are optimal in achieving a fair outcome, as far as possible, for all customers within a competitive racing environment
- Use this advanced data to examine the impact of BHA Handicapping from an Owner and Trainer perspective, as well as for Betting Customers and Racecourses
- Increase transparency by publishing and regularly updating this data to better inform, educate and engage all customer groups
- Via the publication of advanced data analytics, make BHA Handicapping a destination microsite and key resource for all customer groups
- Commit to a racing structure, facilitated by all relevant BHA departments, that incentivises and rewards the positive campaigning of horses
- Commit to supporting sustainable racehorse ownership via objective data-driven analysis of all handicapping processes and a more diverse race programme, including but not limited to Optional Claiming Handicaps and rating-restricted allowance events.

Executive summary of key recommendations

Methodology

- **BHA Handicapping to agree, consistently enact, publish and explain agreed modern methodologies, processes and policies. Driven and monitored by data science**
- **Introduce a new pounds-per-length scale based on accurate and publicly available individual race times, applied by all Handicappers. This requires investment in official Jumps race times**
- **Phase out any usage of the yard-sticking or marker horse method of handicapping**
- **Ensure there is no bias towards certain numbers and digits when considering allotting or adjusting handicap marks and address the disproportionate strike-rate of top-weights via race-programme diversification – in particular Median Handicaps on a substantial scale – and greater transparency of process**
- **Commission further research into potentially automating some official handicapping processes via a benchmarking project of its usage in other jurisdictions, sports and private handicapping organisations**
- **Commission investigative data analysis into the likely impacts of creating minimum rateable form whereby form below a certain level cannot be used to impact a horse's handicap mark.**

Executive summary of key recommendations

Operational matters

- **Appoint a new senior role of Data Analyst dedicated to Handicapping**
- **Use rigorous scientific analysis as an objective driver and monitor of Handicapping policy**
- **Use advanced analytics to explore and support contentious areas of Handicapping policy**
- **Improve synergy between the Handicapping, Stewarding and Integrity departments, supported by the appropriate Rules Of Racing**
- **Introduce a protocol for communications between Trainers and Handicappers**
- **Streamline a more accessible Handicapping Appeals procedure**
- **Introduce a system of discretionary penalties for winners within handicap races**
- **Publish all performance figures from all races except maiden and novice events.**



Executive Summary

PROGRESS UPDATE

Completed Recommendations

Having been appointed as Head of Handicapping earlier this year, Dominic Gardiner-Hill is leading implementation of the recommendations emanating from the review. Already progress has been made in a number of areas:

- A dedicated handicapping section on the BHA website has been launched to help improve the accessibility of information. This hosts the new Guide to Handicapping, mission statement and aims of handicapping. A protocol for communication between trainers and handicappers has also been introduced
- James Willoughby has been appointed as a dedicated data analyst, on a consultant basis
- A streamlined online appeals process has been created and will be supported by a new independent Appeal Panel. This launches in October
- Changes to the penalty structure in Flat handicap races will come into force in 2019. While the review made a recommendation that discretionary penalties should be introduced, following data analysis and feedback from stakeholders, it was decided by the industry's Racing Group that a more nuanced age-related penalty structure should be employed instead
- All performance figures (except for maiden and novice events) are published on the BHA website along with the name of the handicapper who looked after each race

Completed Recommendations (cont.)

Internally, a number of recommendations have also been implemented too including:

- **A trial of 10 optional claiming handicaps was launched in July 2018 as the first initiative in plans to bring about a more diverse racing programme.**
- **The BHA Handicapping Team has undergone a restructure with four team leaders introduced. Each will now have management responsibilities within the team as well as having overall charge of races run within certain distance categories and/or codes**
- **Following detailed statistical analysis a new jump poundage scale has been introduced and will act as a pre-cursor to a new time-lapse based poundage scale which is available on the BHA website**

Changes to come

In addition, the BHA Handicapping Team has now employed a new data analyst who will help ensure that handicapping methodology is driven by objective and scientific data-interrogation. Alongside the Head of Handicapping, they will help to:

- Use data analysis to better understand how handicapping effects a horse's career development & the impact on the sport's participants, particularly racehorse owners
- Further agree consistent team methodologies, policies and processes
- Devise and publish details of a new time-lapse based poundage scale
- Use data to model and assess the concept of minimum rateable form for potential trial on the Flat
- Define permitted scope for minor ratings adjustments
- Increase transparency via the publication of data analytics which in turn will help better inform, educate and engage stakeholders
- Consistent policies for collateral handicapping to be finalised

Longer term projects, for which progress should be measured over the next 3-5 years, include the:

- Commissioning of further research into modern automation and how this can assist processes
- Prioritising of efforts to harmonise British & Irish Jump handicapping