



THE
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GROUP



British racing industry – Coronavirus impact economic support

On 17 March 2020, the British Horseracing Authority (BHA) as governing and regulatory body for the sport made the decision to suspend horseracing until at least the end of April. This decision has been taken to protect essential emergency services, the health and welfare of staff and participants working in the racing industry, and to comply with social distancing measures introduced by Government.

In light of this decision, the British thoroughbred racing industry is **calling for urgent economic support for our £4.1 billion industry** beyond the extremely welcome and significant packages already introduced by Government, which reflect the unique challenges we face to any other sports industry – particularly the need to continue caring for our horses.

Estimated economic impact

British racing is the UK's second largest sports-related industry – worth **£4.1 billion** in annual expenditure to the British economy, directly employing over **20,000** people and supporting employment for tens of thousands more in predominantly rural areas and generating over **£350 million** in taxation annually for the Exchequer.

The suspension in racing activity potentially running to the end of June 2020 would result in the loss of some **471** fixtures including **25** festival days. The overall impact of lost revenues for racecourses, trainers, breeders and jockeys is estimated to be **£193 million** (some **13%** of annual industry revenues), with a net cash impact of **£55.25 million** in these sectors leading to significant economic and social hardship. This will also threaten British racing's pre-eminent position in the international thoroughbred racing sector.

Our industry has viable risk-managed proposals for how, when it is appropriate to do so, racing can return behind closed doors. This would be the strongest mitigating factor for the welfare of horses and staff and the economic health of the sport.

Further support measures for British racing

Among the proposals outlined in our submission to Government, British racing outlines how:

- Our industry is now working on a package of central industry hardship funding to support those people and horses most in need. An immediate source of support for the industry would be for the Government to **'match fund' our bespoke support package**, which would provide an additional **£15 million** of support.
- We believe that State Aid restrictions must be lifted in order for existing industry reserves to be fully utilised in this unprecedented situation
- We believe that staff caring for animals and racecourse groundstaff should be treated as **essential workers** to maintain the high standards of equine welfare in British racing.
- We would strongly urge the Government to confirm that racehorse training facilities and breeding premises are included under **eligible properties for business rate relief**.
- We would encourage **further information on the repayment mechanism for statutory sick pay** for SMEs within the thoroughbred racing and breeding industry. We would also encourage this to be extended beyond the initial two-week period to a month to provide additional support to our businesses.



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- The industry would also welcome **further clarity on the administration of the Coronavirus Job Retention Scheme**, such as how staff can be brought in and out of furlough in order to meet the changing circumstances or accommodate for periods of self-isolation.
- We would propose a commercial rent holidays for all properties and venues eligible for business rates relief, including racecourses, where these are owned by local councils
- We would also propose a **form of sideways loss relief** to offset losses made on a horse in training against personal income tax for owners.
- With the majority of jockeys relying on race-riding fees and prize money for income, we urgently need financial support from government to protect self-employed workers in our industry before the income support scheme is up and running in June.
- As a largely rural industry, we would be very interested in access to packages **to rural support schemes** – this could include avenues such as the Rural Development Programme for England.

How British racing is supporting the national effort

British racing is developing proposals at a high level to outline how we can support the national volunteering effort to help those most affected by the coronavirus outbreak and to help keep the nation mentally and physically fit in the months ahead. Current ideas under consideration include:

- Utilising racing facilities for medical and/or accommodation purposes.
- Sharing information of volunteers, bearing in mind the requirement for these to be DBS checked for certain activities, to support a national effort in the months ahead.
- Promoting industry generated content to promote physical activity, mental wellbeing and educational activity.
- Making available archive footage of races for people to watch in the absence of new live sport for the time being.