

British Racing Key Messages + Q and A 140520

Returning Safely

British racing is ready to return safely when the public health situation allows.

We have worked with Public Health officials to protect the health of all those coming back to work, the local communities in which events take place and the wider public, against the risk of transmission of Covid-19.

The public can have confidence in our ability to hold events behind closed doors when the government moves to the next phase of easing restrictions.

We have the right experience of managing complex health and safety risks – controlling the risk of infectious diseases in horses and reducing the risk of injury to jockeys in over **10,000** races every year.

Our industry and many of our **20,000** staff have already adapted to training and breeding thoroughbred racehorses while following social distancing regulations.

British racing – as a non-contact sport – is ready to apply these principles to a return of racing behind closed doors as set out in Phase Two of the Government's Covid-19 recovery plan.

Together with local businesses, we generate **£4.1 billion** for the economy. Racing is at the heart of many rural communities.

Our Plan

We have worked with public health officials to develop the best possible plan for returning safely.

1. We will implement a **phased return**, carefully trialling our plans at selected racecourses, working to a central plan overseen by the industry's regulator, whose officials will be at every meeting.

2. We will protect the **health and safety of participants** by screening all those attending, following social distancing requirements, with officials specially designated to help people follow the rules when they arrive.

3. We will **minimise the use of NHS medical services** and equipment by using private ambulance and hospital cover. We worked with Public Health officials on testing and PPE to avoid an impact on health and social care.

4. **Engaging all participants**, staff and officials ahead of resumption

People won't be able to attend a behind closed doors meeting without reading government advice and our own guidance for running race meetings within social distancing rules.

5. **Engaging local communities** to provide reassurance and information

We will update local residents, businesses and authorities on how our events are being operated safely, including prevention of any crowd gatherings.

6. **Promoting public health messages**

We are working with broadcasters and the media to explain the steps taken to limit risks to participants and promote the government's public health messages.

What are the **benefits of resuming racing?**

- We need to get our people back to work, to protect their livelihoods and pay for the care of more than 12,000 majestic thoroughbred horses in training right now which are bred and trained to race.
- This will reduce the burden on the taxpayer by allowing staff across British racing to be un-furloughed and generate significant revenues to pay for public services.
- Our big summer Flat races are the showcase for a world-leading racing and breeding industry and keep international investment flowing into the UK, creating jobs and prosperity.
- The best races are free to watch on ITV, bringing live sport back to our screens, lifting people's spirits and making lockdown restrictions easier to bear.

How British racing is supporting the national effort to combat coronavirus

We stopped racing to protect the NHS and save lives.

Racecourses and local training centres have supported their local NHS and communities – acting as drive-in testing centres, storing medical equipment, and providing meals to vulnerable residents.

We have encouraged people to stay healthy and active through ‘Jockey Fit’ home exercises, while promoting public health messaging through key racing industry figures

We have observed social distancing guidelines while continuing to provide round-the-clock care and attention for the thoroughbred racehorses which we cherish so highly

We have supporting our own industry financially, providing millions of pounds worth of financial assistance to tackle immediate hardship, support employees and employers, and to protect equine welfare

Why is racing coming back before other sports and businesses?

We have been working closely with the government and its public health officials to manage the risks from returning to work. The health of participants, local communities and the wider public has been our priority throughout.

We have engaged all those attending so they understand what’s expected of them and we have spoken to local communities to keep them informed and reassured about our plans.

Ultimately, the government has made the decision for when sports can return so the public should have confidence in our ability to return safely.

Why should sport resume when there are clearly risks associated – even behind closed doors?

Like any other industry, we need to get people back to work, to protect their livelihoods and pay for the care of more than 12,000 majestic thoroughbred horses in training right now which are bred and trained to race.

This will reduce the burden on the taxpayer by allowing staff across British racing to be un-furloughed and generate significant revenues to pay for public services.

Like all sports, we have had no income from spectators, fans or from television. We are predicting a loss of up to £55 million by the end of June if racing doesn’t resume. That will cost jobs and businesses in the rural economy and could see a significant contraction of our industry, which is worth £4 billion a year to the UK.

And for every pound spent in the racing industry, two more are spent in all the businesses that support us. That includes all the rural trades that supply racing yards looking after horses – vets, blacksmiths, feed suppliers – and all the hospitality businesses where people eat, drink and stay when they go to a race-day.

We know that following the lockdown restrictions is really tough. Putting live sport back on television and radio will encourage people to stay at home and keep them entertained whilst we beat this virus.

What’s the point of racing behind closed doors? Isn’t it just so you can make money from betting?

The government has decided to change the restrictions and make it possible for sport to take place behind closed doors. We are following their advice with tough measures in place to limit the risk.

All professional sports depend upon fans and supporters for their income and many get some money now from betting, including racing. We have a good track record for encouraging responsible gambling and many people find a flutter on the horses to be good, sociable fun when done responsibly.

A levy on the profits of betting on racing puts 10% back into the sport where it supports jobs in the rural economy and high-quality care for horses.

By generating income, we can lessen the load on taxpayers and pay for public services.

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Isn't there a risk of people stuck at home developing gambling problems?

We have a good track record for encouraging responsible gambling and many people find a flutter on the horses to be good, sociable fun when done responsibly.

Betting on sport generally causes fewer problems than other forms of gambling which have been able to continue during the lockdown, so we believe the opportunity to bet on racing again is a positive move, provided it's done responsibly.

How can you avoid creating risks to people's health by resuming?

Firstly, loosening the current restrictions has been a decision for the government's experts, not for us.

Secondly, we have worked closely with the government's public health experts to develop detailed plans to protect all those involved in racing behind closed doors.

Thirdly, because of our experience of dealing with horses, we have excellent biosecurity procedures in place at courses and racing yards in normal times. These will be stepped up to the level we had when dealing with equine influenza last year where the industry quickly dealt with a few cases and stopped it spreading.

But you can't eliminate the risk can you?

That's the same for all industries that require people to come together and it's why the government has such a difficult task in deciding the level of restrictions.

Because of our work with horses, disease control and preventing the spread of infection is part of what we do day-in, day-out, so we have the experience to keep risks to a minimum.

Allowing Cheltenham to take place was clearly a mistake. You put money and the betting industry ahead of public health, didn't you?

Our priority has always been the health of our customers, our participants and the wider public. That is why we have followed government guidelines throughout this crisis.

They were clear that Cheltenham and other mass gatherings could take place providing that people followed public health advice, washed their hands and stayed at home if they had a cough or other symptoms.

Cheltenham invested in extra facilities and cleaning to support people in following public health advice. Customers and participants were asked not to come if they had potential symptoms.

Other sports went ahead that week. There was a full programme of Premiership football and a Six Nations match at Twickenham the weekend before. Pubs, clubs and restaurants were still open. Concerts continued.

Doesn't the evidence show a hot-spot for COVID cases in and around Cheltenham?

I don't think the health authorities are able to tell where anyone has caught this virus for the last couple of months as they stopped tracing contacts when the cases reached a certain level. So I think people should be cautious about some of the opinions they've heard or read.

Do you accept there was a spike in cases near Cheltenham?

We really ought to wait for proper scientific analysis before coming to any conclusions.

Was the right decision made?

In effect, you're asking whether the scientific advice the government was following at that point was correct. That's a question that's much bigger than the actions taken by sport or any other business or industry and

I'm sure everyone has reflected on it. It's a question that only the best experts in disease control can really answer and in time, I'm sure we'll hear what they think.

So you've no regrets?

We followed the advice being given by the government's Chief Scientific and Chief Medical Officers. It would have been very odd to have ignored it. Like everyone else, we wish the outbreak hadn't cost the lives it has and damaged so many people's livelihoods. Our focus has always been protecting public health and safety.

Did you or the betting industry put pressure on the government to let Cheltenham go ahead?

We made it clear we would follow government advice throughout and we were ready to stop racing or go behind closed doors if that was the government's view based on scientific and medical evidence.

Did you tell government what it would cost to stop Cheltenham?

The government asked sport in February what the economic impact of major events was and we gave them what figures we had. The Prime Minister's words the week before Cheltenham were that it was 'business as usual' providing strict public health measures were followed.

Following government advice

We have followed government guidance throughout this crisis.

When they said it was still safe to continue mass gatherings, we continued but put in additional measures to protect public health, including racing behind closed doors whilst that was possible.

When they said the emergency services could no longer support mass gatherings, we stopped.

We are, as with any major sport, in touch with government to develop a responsible, coordinated plan for the return of sport when it is appropriate to do so.

What impact is the crisis having on racing?

Racing faces a tough battle to protect livelihoods and avoid becoming a much smaller industry.

Right now, we're almost entirely dependent for revenue on the thousands of people who own racehorses to keep them in training, despite the impact of the crisis on their own finances. Without them, we wouldn't be able to afford to maintain the high standards of care for our horses.

This comes at a cost. Furloughed staff can't look after horses. We estimate that at least 80% of our racing staff have continued working so we can make less use of government measures than other sports or businesses.

Our 59 racecourses have no income and significant fixed costs they can't avoid. They depend on the income from media rights, spectators, sponsors and advertisers – all of which has come to a crashing halt.

Like all sports, the most visible events and the biggest stars are the most commercially successful. But like all sports, there's a much bigger grassroots that's less visible and much more vulnerable. It's the grassroots of racing that makes us an industry worth 4 billion to the UK economy. That's what we're most worried about.

But even the top end of sport isn't guaranteed to survive this crisis. Like all sports, we've invested huge sums to improve the quality of our courses and the experience we give spectators. But this means – as with football, rugby and others – our biggest venues have to pay back the money they've borrowed. Without the income from racing, they can't do so.

How racing is helping itself

Our initial focus has been on preventing hardship and protecting livelihoods.

We are supplementing government measures with a series of self-funded schemes to target help where it's most needed.

The first tranche of cash will go to support Racing Welfare, a 24/7 service that offers grants to those in the greatest hardship that's been going for twenty years.

In total, we've put together a £28 million package of self-help to prevent hardship, support incomes for the self-employed like our jockeys and provide cash to our training and racecourse businesses.

We're dependent on our biggest charity, the Racing Foundation, for most of the hardship funding. But as with all charities, its funds can't be used to fill the gap in business revenues caused by the crisis.

The reserves held by the Levy Board – around £45 million – are less than we predict the sport may lose by the end of June if racing can't resume and we need to keep most of this money to help the sport get back on its feet financially when we resume racing.

Why did racing ask the government for money?

The responsibility of the senior leadership across British racing is to represent to Government the impacts which a suspension of racing activity is having on the economics of our £4 billion industry, and the livelihoods of the tens of thousands of people who rely on it.

The government was asking for this information from as early as February. They also wanted assessments of how the Government packages do and do not alleviate these impacts.

It's very important to point out that you can't furlough staff when there are horses to look after. So racing yards can't take advantage of the Job Retention Scheme in the way other businesses can. We estimate that no more than 20% are likely to be furloughed at present. That leaves a lot of wages still to pay.

It is also very important to highlight the impact on self-employed people in our sport, like jockeys, or the importance of a consistent approach to the rates paid by trainers and other businesses. Some trainers were missing out on rates relief, and we had to bring that to the attention of government and explain the impact.

Our analysis suggest that racing could lose £55 million by the end of June. Government measures would reduce the impact as would the funding announced today. But there's a gap of tens of millions left and we wouldn't be doing our duty if we didn't point that out.

Why are you not accessing the £130 million in reserves funding available rather than asking Government for additional funding?

We have been in constant discussions with industry funding bodies and greatly appreciated their funding package of up to £28 million.

However, the sum which you are quoting as available is far in excess of what is in reality available, owing to financial and regulatory constraints on these funding bodies.

For example, the Racing Foundation is a charity and so has to use its money for charitable purposes. It's inaccurate to describe its investments – the interest from which provide the charity with the money it spends each year – as industry reserves. They can't be used to make up the loss of commercial revenues that all businesses are suffering.

And the Levy Board's reserves, if they were all spent now, would only cover the gap until June if no racing were possible. That's how much money the industry loses by not racing. And if we did spend all that money now, we'd have nothing left to put racing back on its feet again for what looks likely to be very gradual return to profitability.

Why did you include proposals for a tax break for rich owners in your submission?

We are very worried that smaller owners will be forced to leave the sport in large numbers as has happened in previous recessions. That could lead our £4 billion industry to contract dramatically, reducing the amount of revenue generated outside racing and the amount of taxes paid to the Treasury.

The consequences of a significant decline in ownership could be profound for many training and breeding businesses, with potential knock-on implications for equine welfare if we are owners can no longer pay for the upkeep of their horses. Any measure, direct or indirect, which can help to alleviate that risk and maintain ownership levels must be pursued.

Thus far, most owners have been magnificently loyal. They love horses and they love racing. So for now, we're not pushing the case for more help for them specifically via tax relief.

Why did you ask for matched funding?

Racing stands on its own two feet wherever it can. You've seen that with the funding package announced today. But the scale of this crisis dwarves our ability to manage it just by ourselves. The government has recognised that's true for all industries and introduced a range of measures to help.

For now, those measures are helping people keep their jobs and businesses stay afloat. We'd still like to see rate relief applied equally across the country and continue to press the government on that. But with the funding made available through the Foundation and the Levy Board, we're managing for now.

But government knows that if the suspension of sport carries on for much longer, we will need more help and so will all sports.