

Racing Sector Quickfire Update – Ross Hamilton

Financial

British racing is continuing to engage closely with DCMS in relation to the implications of the Gambling Act Review on the industry, with the potential for unintended consequences given the very interdependent relationship between racing and betting. We are also continuing to engage on the financial challenges the industry is facing as a result of Covid-19, the growing costs of putting on a sustainable betting product and maintaining the industry's international competitiveness – which can be helped in our view through an early review of the Horserace Betting Levy currently scheduled for 2024.

Whip

The BHA's consultation process on the Rules regarding the use of the whip in racing closed in September with over 2,000 responses received. The Whip Consultation Steering Group is currently considering these responses and is scheduled to make recommendations on new rules to the BHA Board in the New Year.

Covid-19

Following the vote by Parliament to implement Plan B, Covid status certification is now in place at all Fixtures with 4,000+ spectators and is being applied at all fixtures in the weighing room complex. Further information on our latest protocols can be found [here](#).

Brexit

There remains a significant amount of work ahead for the sector into 2022 in relation to Brexit arrangements, with our objectives remaining:

- Ensuring the growth and international pre-eminence of British racing and breeding industry
- Facilitating high-health, high welfare thoroughbred movement for trade, while embracing digital technology
- Fair arrangements with international counterparts to ensure a level-playing field for British thoroughbred industry

Thoroughbred movement numbers to the end of November are still showing decline – with movements from GB to the EU down by one-third compared to 2019, compared to a 12% decline to the rest of the world. These statistics have recovered a bit during the year – and numbers for non-racing movements with Ireland are only down slightly – which is demonstrating some adaptation to the new Rules from competitors and transporters. Nonetheless, there are still significant additional administrative and financial burdens which are impacting on movement of thoroughbreds, which could act as an impediment on the international pre-eminence of the British thoroughbred racing and breeding sector if left unresolved.

For these reasons, we very warmly welcomed the recommendations in the Efracom report and are indeed clear that the digital solutions offered by the industry, with appropriate interoperability with Government systems will be very important in respect of achieving meaningful solutions to these challenges. We very much look forward to the Defra response to this report and taking forward the recommendations as soon as possible, with the need for meaningful progress becoming acute.

Other key workstreams for the industry include:

- Continued engagement with HMRC in relation to VAT arrangements for the temporary import of thoroughbreds for racing, breeding and sales purposes
- Preparations for the introduction of import controls from next July, underpinning high animal health and welfare standards
- A longer-term replacement to the TPA, utilising the mechanisms of the UK-EU TCA, although we are conscious of the challenges in relation to the NI protocol on this (on which we also hope to see a solution to the issue of SPS checks)