

The Economic and Social Impact of Racing in Yorkshire



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Preface

In 2010, Go Racing In Yorkshire commissioned a study from Sheffield Hallam University to look at the impact the sport of horse racing has on the Yorkshire economy. The figures, taken from 2009 showed that the impact was considerable.

Ten years on, with the support of The Racing Foundation, we commissioned a second study to look at the impact racing had on the Yorkshire economy in 2019 and also on the wider community.

The results of that study by Ian Wilson of Sheffield Hallam University are published here. I am sure you will find it very interesting and informative reading.



With nine racecourses, staging some of the world's most important races, two major training centres at Middleham and Malton, a major Sales venue at Doncaster, the National Racing College, a state of the art rehabilitation and recovery facility for jockeys and stable staff at Jack Berry House and the New Beginnings retraining centre, Yorkshire serves every strata of racing life.

The stimulation to Yorkshire's economy from racing, both in terms of jobs - many of them in the rural community - and profitability for many other sectors, particularly the hospitality industry, is truly enormous.

Of course, since undertaking this study, the Covid-19 pandemic has struck and the effects are being felt in Yorkshire as much as any other part of the world.

What this study shows is that the impact Yorkshire's racing industry has on the wider economy and on communities is such that the sooner it returns to something like normality, the better it will be for everyone in the county.

John Sexton

Chairman of Go Racing In Yorkshire

The Economic and Social Impact of Racing in Yorkshire



INTRODUCTION

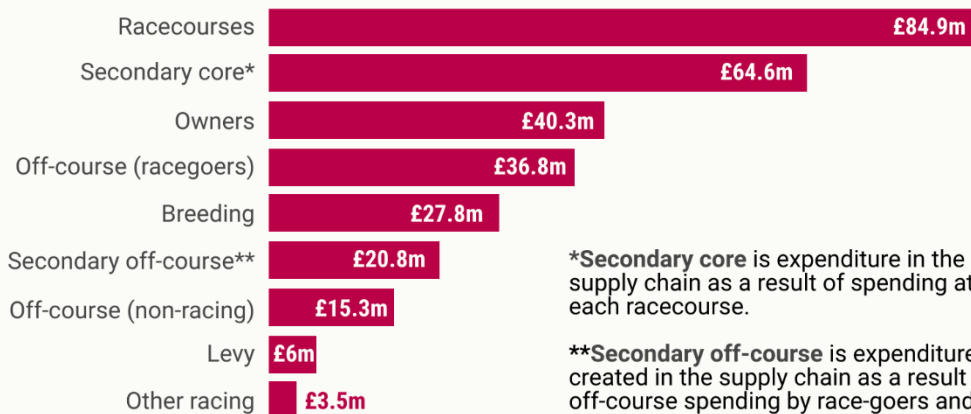
Yorkshire is synonymous with horseracing with its nine iconic and varied racecourses, successful trainers and industry focused education, support and health facilities.

To understand and promote this position further, Go Racing in Yorkshire commissioned the Centre for Regional Economic and Social Research (CRESR) at Sheffield Hallam University to estimate the economic and social impact of horseracing in Yorkshire. The study was funded in association with The Racing Foundation and aimed to:

- Establish the economic importance of the horseracing industry in Yorkshire with regard to hosting sporting events, creating employment, investing in communities, and promoting economic growth
- Inform a regional strategy to raise the profile of Yorkshire as a racing centre of excellence
- Promote the importance of Yorkshire's horseracing industry, especially as part of the response to the COVID-19 pandemic.

£300.2 MILLION

The economic impact of racing in Yorkshire, including non-racing activity



*Secondary core is expenditure in the supply chain as a result of spending at each racecourse.

**Secondary off-course is expenditure created in the supply chain as a result of off-course spending by race-goers and non-racing attendees at each racecourse

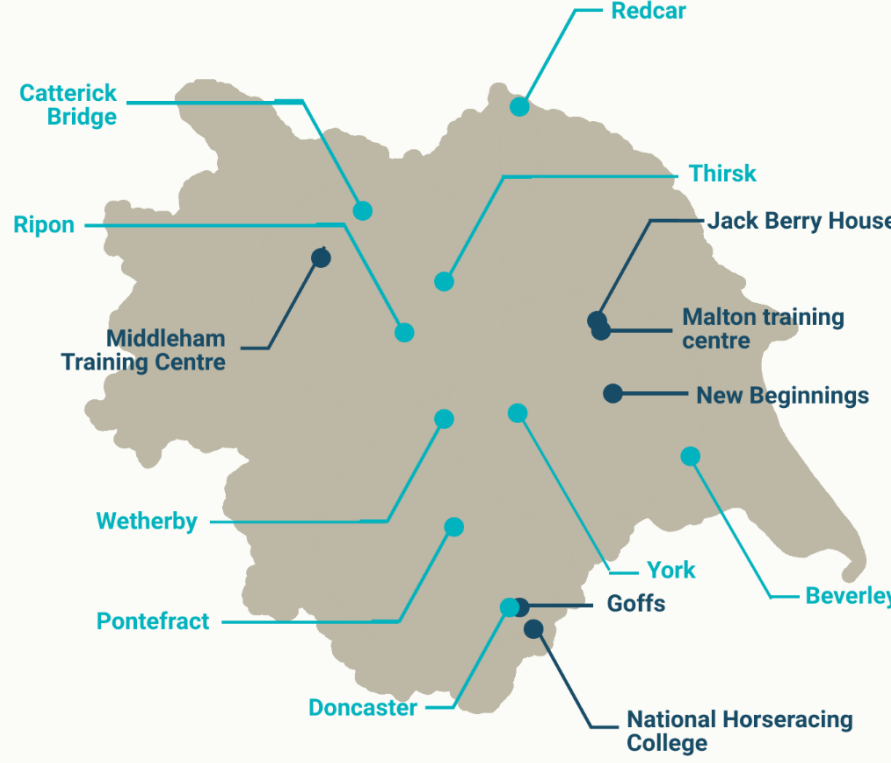
3.6k FTE jobs

3,628 full-time equivalent jobs in the region directly and indirectly supported by Yorkshire's horseracing industry. Over three quarters are likely to be in rural areas.



Racecourses and other racing establishments

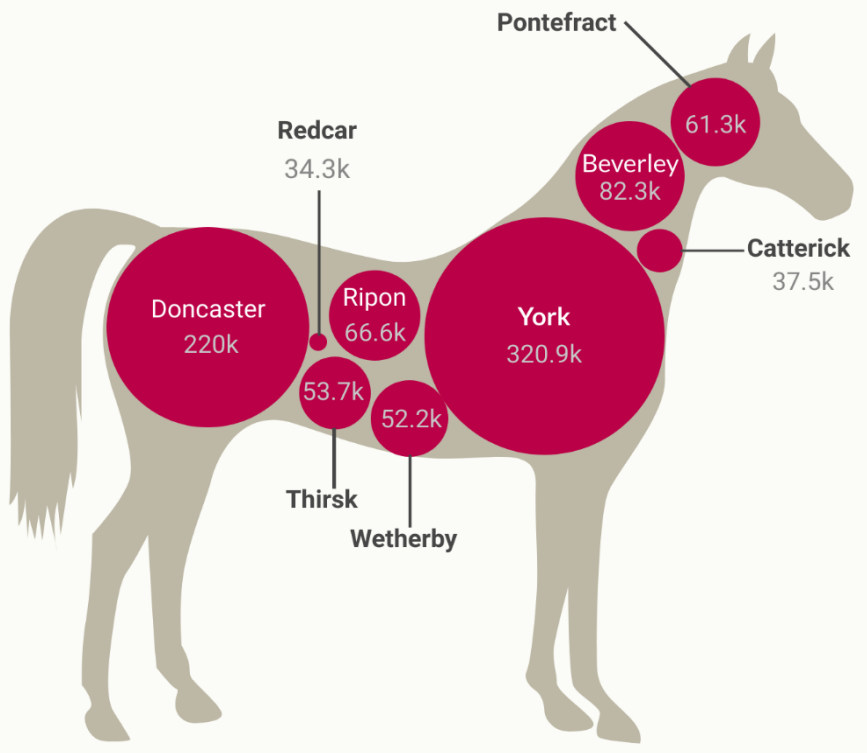
The location of Yorkshire's **racecourses** and **racing establishments**:



931,156

During 2019, **174** fixtures took place in Yorkshire attracting **931,156** race goers.

This attendance figure is **17%** of all race goers. Average fixture attendances are **35%** higher than the national average.



11.7k

11,756 runners took part in **1,239** races, racing for over **£21 million** in prize money, representing **14%** of the national total, Average race prize funds are **10%** higher than the national average



£90.8m

Revenue for Yorkshires nine racecourses amounted to **£90.8 million**



£34.1m

Yorkshires racegoers spent **£34.1 million** in off-course expenditure on e.g. transport, food and beverage, and hotels for overnight stays



£15.3m

Off-course expenditure by non-raceday attendees at Yorkshire's racecourses was **£15.3 million** in 2019.



£27.8m

Yorkshire's Thoroughbred breeding industry was worth **£27.8 million** in 2019.

2.4k

2,428 horses in training in Yorkshire

This is around **17 per cent** of those in training in Britain.



87

87 licensed trainers in Yorkshire

This is around **15 per cent** of those in Britain as a whole



£40.3m

Owners expenditure into the region totalled **£40.3 million**

Social value

The survey of Yorkshire's nine racecourses identified the following five categories of activity which provide social benefits:



Charity racedays



Fundraising activities on racedays



Supporting the wider racing industry



Community facilities and community events



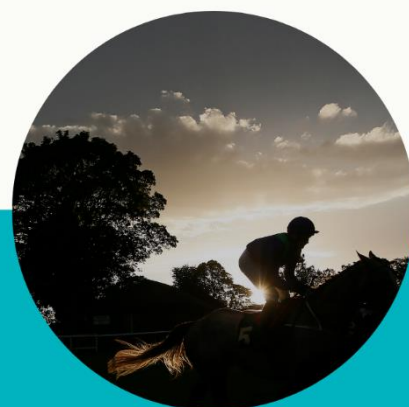
Sponsorship and local charities donations

£1.6m - £2m

Across all nine racecourses the value of charitable work is likely to be approximately **£1.6 to £2 million**

The evidence base included:

- A survey of the nine racecourses located in Yorkshire covering race meeting information, attendances, incomes, expenditure and social impact information.
- Data provided by British Horseracing Authority relating to race meeting information, information on trainers and jockeys.
- Information from the Thoroughbred Breeders Association on breeding.
- Horserace Betting Levy Board (HBLB) data on levy receipts and attendances.



THE RACING FOUNDATION

GO RACING IN YORKSHIRE

Sheffield Hallam University

Centre for Regional Economic and Social Research

Introduction

1.1. Introduction

Yorkshire and horseracing go hand in hand. The county was home to two of the three founding stallions of the modern thoroughbred, the Byerley Turk and the Darley Arabian, forming the roots of the breeding and racing industry. Today, horseracing is very important to the economy and social fabric of many rural areas of Yorkshire. The industry in the region includes:

- Nine iconic and varied racecourses, covering flat and jump racing, spread across the county, which host racing at the highest level, including the world's oldest classic, the St Leger, the richest flat handicap in Europe, The Ebor and the Juddmonte International Stakes, the highest rated race in the world in 2019.
- A multitude of successful trainers, including hot beds in North Yorkshire which are home to nine of the top 50 flat trainers and four of the top 50 jump trainers in the country.
- Go Racing In Yorkshire, the marketing organisation for Yorkshire's nine racecourses.
- Breeding and sales businesses.
- Industry focused education, support and health facilities, including Jack Berry House, Racing Welfare and the National Racing College.

To understand and promote this position further, Go Racing In Yorkshire commissioned the Centre for Regional Economic and Social Research (CRESR) at Sheffield Hallam University to estimate the economic and social impact of horseracing in Yorkshire. This study was funded in association with The Racing Foundation and aimed to update an earlier 2010 study with current evidence, as well as to consider social impacts. The evidence from this study will:

- Establish the economic importance of the horseracing industry in Yorkshire with regard to hosting sporting events, creating employment, investing in communities, and promoting economic growth.
- Inform a regional strategy to raise the profile of Yorkshire as a racing centre of excellence.
- Promote the importance of Yorkshire's horseracing industry, especially its role as part of the response to the COVID-19 pandemic.

1.2. An overview of the approach

The approach used in this report largely mirrors that adopted in the 2010 study, which itself drew on a methodology developed by Deloitte to estimate the economic impact of the industry across Britain as a whole¹. It estimates the economic impact based on the direct expenditure of participants in the industry in Yorkshire and the associated expenditure on the part of racing consumers. The data included in the report relates to the latest complete financial year up to the end of 2019. It therefore covers a period pre-Covid-19.

Table 1.1 outlines the expenditure data that has been used in the study. The evidence is drawn from a number of sources, of which the most important are:

- A survey of the nine racecourses located in Yorkshire covering race meeting information, employment, incomes, expenditure and social impacts.
- Data provided by British Horseracing Authority relating to race meetings, trainers and jockeys.
- Information from the Thoroughbred Breeders Association on breeding.
- Horserace Betting Levy Board (HBLB) data on levy receipts and attendances.

Finally, for the purposes of this report the region is defined as North Yorkshire, West Yorkshire, East Yorkshire, South Yorkshire and the Tees Valley south of the Tees.

1.3. Structure of the report

The remaining Chapters of this report are organised as follows:

- Chapter 2 considers racecourses, attendances, betting and off-course expenditure.
- Chapter 3 addresses impact surrounding owners, trainers and breeders.
- Chapter 4 provides an overall assessment of the industry's economic impact and employment in the region.
- Chapter 5 provides an assessment of the social benefits created by the racing industry in Yorkshire.

¹ Deloitte and British Horseracing Authority 2009 Economic Impact of British Racing
http://www.deloitte.com/view/en_GB/uk/industries/sportsbusinessgroup/sports/horseracing/3c332287681a5210VgnVCM200000bb42f00aRCRD.htm

Table 1.1: A summary of expenditure included in this study

Source	Summary of expenditure
Racecourses	<p>Expenditure generated by Yorkshire's nine racecourses from expenditure of racing consumers:</p> <ul style="list-style-type: none"> • admission: general, hospitality and members. • catering. • on-course betting: bookmaker badges, commissions and bookmaker margin. • media: terrestrial channels, Racing TV, Sky Sports Racing, Turf TV and TRP. • sponsorship of races and meetings. • other race day activities: for example from race card sales. • other non-race day activities: for example from conferencing, banqueting and land rents/hire.
Levy	<p>Revenue to racecourses from distributions of the 10 per cent (with some exceptions) statutory levy on British betting operators' gross win from British Racing; this is paid to racecourses to fund, amongst other things, fixtures, prize money, appearance fees, and integrity services.</p>
Owners	<p>Owners ongoing operating expenditure on:</p> <ul style="list-style-type: none"> • keep fees. • training fees. • vets medical and farriers. • transport and racing expenses. • jockey fees.
Breeding	<p>As in the Deloitte study this has been estimated based on breeders' expenditure.</p>
Other racing	<p>This includes estimates of:</p> <ul style="list-style-type: none"> • revenue earned by the Northern Racing College. • racegoers expenditure on point-to-point meetings. • visitors to Goffs Ltd.
Off-course racegoing	<p>Additional off-course expenditure by racegoers on travelling to racecourses, accommodation, food and drink and other spend.</p>
Off-course non-racing attendees	<p>Additional off-course expenditure by non-racing attendees at racecourses on travelling to racecourses, accommodation, food and drink and other spend.</p>
Secondary expenditure	<p>Indirect and induced expenditure: an estimate of the value of the 'ripple effect' of direct expenditure through the Yorkshire economy.</p>

2

Racecourses, attendances, Betting and Off-course expenditure

2.1. Introduction

This chapter considers the impact which can be attributed to the nine racecourses located in Yorkshire. It provides information about the racing and non-racing activity at the racecourses; racing and non-racing expenditure at the racecourses; betting, and off-course expenditure by racegoers and other non-racing attendees.

Yorkshire's racecourses are committed to offering an excellent experience to racegoers and their success is measured by the number of different awards achieved by each course. In 2019, Yorkshire's racecourses won a significant number of awards:

- At the tenth Racecourse Association (RCA) Showcase Awards:
 - Pontefract Racecourse was crowned Showcase Champion, as well as winning the Events category and being finalists in three other categories.
York Racecourse won the Racecourse Groundstaff Award and the Racing Post Readers Award, celebrating customer service.
 - Doncaster won the Best Campaign Award.
 - Ripon won the Spotlight Award.
- York, Thirsk and Wetherby Racecourses achieved a gold standard award from the Racehorse Owners Association, as well as York being named Large Racecourse of the Year 2019.
- Thirsk took the accolade for the Racehorse Owners Association's most improved racecourse (small courses).
- York won the Racecourse of the Year 2019 judged by the Racegoers Club and a Visitor Attraction Gold Award from the Royal Horticultural Society's Yorkshire in Bloom Awards.



2.2. Yorkshire's racecourses

There are nine racecourses in the region (Map 2.1), brief pen portraits of which are provided in Table 2.1. Six courses concentrate solely on flat racing: Beverley, Pontefract, Redcar, Ripon, Thirsk and York. Catterick, Doncaster and Wetherby hold both flat and jump fixtures.

Map 2.1: The location of Yorkshire's nine racecourses

Racecourses

Where Yorkshire's nine racecourses are located:

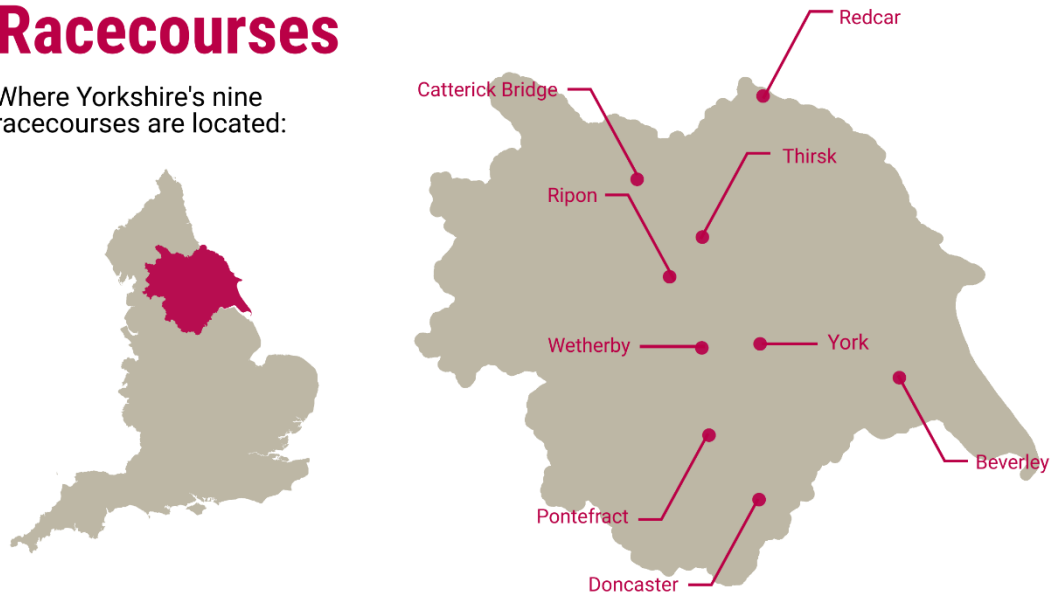


Table 2.1: Yorkshire Racecourses: brief pen-portraits

- **BEVERLEY** (Flat racing from April to September): the only racecourse in East Yorkshire, Beverley is situated on the picturesque Westwood and racing began on the present site in 1690. The William Hill Beverley Bullet Sprint Stakes is a Listed race held in August.
- **CATTERICK** (Flat and Jump racing all year round): one of the busiest dual-purpose racecourses in Britain, with a total of 27 meetings from New Year's Day to December each year. The feature races are the Catterick Dash on the flat, held in October, and the North Yorkshire Grand National over jumps, held in January.
- **DONCASTER** (Flat and Jump racing all year round): home of the world's oldest Classic, The St. Leger Stakes in September (first held in 1776). There is a host of Group and Listed races, including a pair of Group 1 contests - The Ladbrokes St. Leger Stakes and The Vertem Futurity Trophy. Doncaster traditionally starts and concludes the British Flat season on turf with famous Heritage Handicaps, such as The Unibet Lincoln Handicap (late March/early April) and The November Handicap. The Sky Bet Chase in January is the principal race over Jumps.
- **PONTEFRACT** (Flat racing from April to October): boasts the longest continuous Flat track in the world and hosts the longest Handicap race on the Flat in Britain - The Pontefract Marathon Handicap Stakes. The course features a quintet of Listed races. Pontefract has no Saturday fixtures but has more Sunday fixtures than any other Yorkshire racecourse.
- **REDCAR** (Flat racing from April to early November): Yorkshire's seaside racecourse. Racing originally took place on the local beach before moving inland to the current racecourse site in 1872. Highlight races of the season include the Zetland Gold Cup on Spring Bank Holiday Monday, and the listed Two-Year-Old Trophy and Guisborough Stakes which are both run in early October.
- **RIPON** (Flat racing from April to September): Yorkshire's 'Garden Racecourse' is renowned for its flowers and manicured lawns. Feature races include The William Hill Great St. Wilfrid Handicap and The British Stallion Studs EBF Ripon Champion Two-Year-Old Trophy (a Listed race) both taking place in August.
- **THIRSK** (Flat racing from April to September). Racing on the present site at Thirsk dates back to the year 1855 and the seasonal highlight, The Cliff Stud Thirsk Hunt Cup – a very competitive Class-2 Handicap over 1-mile - can be traced back to at least 1859. Thirsk's hallowed turf has played host to many equine rising-stars over the years and also famously staged the St.Leger in 1940 and the 1989 November Handicap.
- **WETHERBY** (Jump & Flat racing from October to June): Until 2015 Wetherby was Yorkshire's only racecourse devoted entirely to racing over Jumps, however, a handful of early season flat fixtures are now staged at Wetherby to supplement it's Jump programme. The bet365 Charlie Hall Chase in October is one of the most prestigious races in the early part of the British Jumping season, while the William Hill Towton Novices' Chase in February attracts some of the best up-and-coming stars over fences. Both races are Grade 2 contests and the winners of each contest have regularly gone on to feature at the Cheltenham Festival in March. The other seasonal highlight is the two-day Christmas Meeting on 26th and 27th December, when both the Grade 3 Rowland Meyrick Chase and the Class 2 Castleford Chase are run in front of huge holiday crowds.
- **YORK** (Flat racing from May to October): considered to be one of the best racecourses in the world, York attracts the very best horses and jockeys for many of Britain's most prestigious races. The opening three-day Dante Festival in May and the four-day Welcome to Yorkshire Ebor Festival in August feature a plethora of Group, Listed and Heritage Handicaps. The trio of Group 1 races take place in August - The Juddmonte International Stakes ranked in the top ten of contests worldwide, The Darley Yorkshire Oaks which has twice been won by the mighty Enable and The Coolmore Nunthorpe Stakes which is often the highest rated race over its distance, on the planet. The Sky Bet Ebor Heritage Handicap (also in August) is Europe's richest Handicap race on the Flat. The John Smith's Cup in July is Britain's longest continuous commercially-sponsored race, having first been held in 1960.

2.3. Activity taking place at Yorkshire's racecourses

Tables 2.2 to 2.4 provided an indication of **racing activity** across the region's nine racecourses in 2019. They show:

174 fixtures took place in Yorkshire attracting 931,156 race goers

11,756 runners took part in 1,239 races, racing for over £21 million in prize money

Collectively around 12 per cent of total fixtures in Britain were held in the region. It is important to note that **average attendances (5,351) and prize money (£17,300) at Yorkshire's fixtures are significantly higher than those nationally: 35 per cent and 10 per cent higher respectively**. This reflects both the quality of the region's races and the enthusiasm of racegoers to attend its fixtures.

Table 2.4 shows that prize money has increased in real terms over the last decade, from on average £16.2 thousand to £17.3 thousand per race, in today's prices.

Table 2.2: Racecourse racing activities; 2019

	Scheduled fixtures (abandoned)	Races	Runners
Beverley	19	140	1,280
Catterick Bridge	28 (2)	184	1,645
Doncaster	36 (5)	216	1,827
Pontefract	16 (1)	106	891
Redcar	18 (3)	115	1,220
Ripon	17	117	951
Thirsk	16	120	1,367
Wetherby	19 (2)	119	1,087
York	18	122	1,488
Yorkshire	187 (13)	1,239	11,756
... percentage of Britain	12	12	13
Britain	1,511 (91)	10,085	91,397

Source: CRESR Racecourse survey

Table 2.3: Racecourse attendance; 2019

	Fixtures run	Attendance		Bookmakers	
		no.	average	no.	average
Beverley	19	82,378	4,336	731	38
Catterick Bridge	26	37,582	1,445	504	19
Doncaster	31	220,000	7,097	1300	42
Pontefract	15	61,301	4,087	602	40
Redcar	15	34,388	2,293	424	28
Ripon	17	66,660	3,921	683	40
Thirsk	16	53,722	3,358	524	33
Wetherby	17	54,214	3,189	551	32
York	18	320,911	17,828	2036	113
Yorkshire	174	931,156	5,351	7,355	42
... percentage of Britain	12	17		19	
Britain	1,420	5,624,994	3,961	38,774	27

Source: CRESR Racecourse survey

Table 2.4: Racecourse prize money; 2019

	Total (£,000)	Average per race (£,000)	2009 average per race (£,000)
Beverley	1,220.6	8.7	7.5
Catterick Bridge	1,169.8	6.4	5.7
Doncaster	4,295.1	19.9	26.7
Pontefract	1,223.7	11.5	10.8
Redcar	1,115.9	9.7	8.0
Ripon	1,162.5	9.9	10.9
Thirsk	1,076.7	9.0	9.3
Wetherby	1,162.7	9.8	10.0
York	8,948.7	73.4	52.8
Yorkshire	21,375.8	17.3	16.2
... percentage of Britain	14		
Britain	158,133.8	15.7	13.7

Source: CRESR Racecourse survey. The 2009 average per race amounts are in 2019 prices.

2.4. Expenditure at Yorkshire's racecourses

Table 2.5 provides an overview of **racecourse revenue for 2019**. It reveals

Revenue for Yorkshires nine racecourses amounted to over £90 million.

This consists of:

- Admissions to racecourse fixtures, including general entry, hospitality and members.
- Catering: the estimated gross spend at the nine racecourses of which eight contract out their catering; gross catering revenue is estimated on commission received, and the rate at which this is based; there is evidence nationally of increasing revenue from improved catering facilities at race fixtures.
- On-course betting racecourse income: bookmaker badges and commissions received by the racecourses from, for example, the tote.
- On-course betting bookmakers margin: an estimate of the margin earned by on-course bookmakers (generally the tote and rails); this is based on:
 - tote commission received.
 - the rate at which this is paid.
 - an assumption that a third of the total value of bets placed is via the tote.
 - a conservative estimated built-in margin of 15 per cent, validated by assessing starting prices contained on the tote website for a sample of races run across the region's courses.
 - bookmaker badge receipts.
 - levy rate paid by the tote.
- Other race day activity such as race cards and advertising.
- Media: broadcasting rights: payments from 'Sky Sports Racing' and 'Racing TV' racecourses, and payments from SIS and TRP for the supply of pictures to betting offices.
- Sponsorship money of races and/or meetings.
- Levy distribution: a significant income to racecourses comes from distribution of the 10 per cent (with some exceptions) statutory levy on British betting operators' gross win from British Racing; this is paid to racecourses to fund, amongst other things, fixtures, prize money, appearance fees, and integrity services.
- Other non-race day activity: all courses have sought to increase non-race day income through conferences, functions, exhibitions and so on; much of this activity is not directly connected to the racing industry.

Table 2.5: Racecourse revenues; 2019

	Yorkshire (£m)	
	2019	2009
Admissions and catering	43.0	29.3
On course betting	8.1	8.8
Other race day	28.4	13.5
Other non-race day	5.3	5.9
Total controllable	84.9	57.6
Levy distributions	6.0	10.7
Total revenue	90.8	68.2

Source: CRESR Racecourse survey and CRESR estimates

2.5. Off course expenditure relating to Yorkshire's racecourses

Revenues tabulated above relate to activity taking place at racecourses. This section considers two sources of **off-course income**: off-course expenditure by racegoers and off-course expenditure by non-race day attendees.

(i) Off-course expenditure by racegoers

This consists of off-course spend by racegoers on activities such as transport, food and beverages, and also hotels for overnight stays. The analysis is based on the same assumptions used in the 2010 report. Namely that:

- Calculations have been made on the basis of estimated average off-course spend per attendee as £32 per day tripper, and £167 per overnight stayer; these have been updated for inflation.
- One in 20 racegoers at York and Doncaster have an overnight stay, whereas 1 in 50 racegoers at the other courses have an overnight stay.
- The assumption has been made that all of this off-course expenditure takes place within Yorkshire; in reality part will have occurred in other regions; for instance, racegoers from the North East filling up with petrol in that region prior to attending events at, say, Redcar or Catterick.

Applying these figures to attendance data (Table 2.3) suggests:

Yorkshire's racegoers spent £34.1 million in off-course expenditure on e.g. transport, food and beverages, and hotels for overnight stays.

(ii) Off-course expenditure by non-race day attendees

This consists of off-course expenditure by visitors to non-racing events at racecourses. As in the case for expenditure by racegoers, this includes spend on activities such as transport, food and beverages, and also hotels for overnight stay. Attendance data on non-race day events has been supplied by two racecourses Doncaster and York. To compute a Yorkshire wide figure, we have multiplied number of events held at the racecourses by an estimate of the average numbers attending events based on data

provided by racecourses.² We have then applied the same pattern of expenditure as laid out above for off-course expenditure by racegoers. Based on this it is estimated.

Off-course expenditure by non-race day attendees at Yorkshire's racecourses was £15.3 million in 2019.

2.6. The nine individual Racecourses: revenues

Table 2.6 provides a breakdown of revenues and relevant expenditure associated with each of the nine courses. In addition to the items included in Table 2.5, this includes off-course expenditure by racecourse attendants and secondary expenditure resulting from racecourse and off-course expenditures. As would be expected totals range considerably across the nine courses. Almost two-thirds of revenue and relevant expenditure occur at York and Doncaster. Annual totals for the other seven courses range from around £6.3m to almost £10m.

This chapter has considered income and activity either directly, or indirectly, associated with the nine courses. The next addresses activity associated with owning, training and breeding horses.



² An attendee is a person attending an event on one day; if one person attends an event lasting two days they would be counted twice.

Table 2.6: Individual racecourse revenues, off-course expenditure and secondary expenditure; 2019

	Controllable plus levy (£m)	Off-course racegoer (£m)	Off-course non-racing attendee (£m)	Secondary core (a) (£m)	Secondary off-course (b) (£m)	Total (£m)	Percentage of Yorkshire (per cent)
Beverley	7.8	2.8	0.2	3.1	1.2	15.2	9
Catterick Bridge	4.8	1.3	0.0	1.9	0.5	6.3	4
Doncaster	16.6	8.4	5.7	6.7	5.7	40.4	25
Pontefract	4.7	2.1	0.2	1.9	0.9	8.6	5
Redcar	4.1	1.2	0.2	1.6	0.5	6.7	4
Ripon	4.9	2.3	0.3	2.0	1.0	8.0	5
Thirsk	5.3	1.8	0.0	2.1	0.7	7.5	5
Wetherby	6.3	1.9	0.6	2.5	1.0	9.3	6
York	36.3	12.3	8.0	14.5	8.1	58.2	36
Yorkshire	90.8	34.1	15.3	36.3	19.8	160.2	

Source: CRESR Racecourse survey and CRESR estimates. (a) Secondary core expenditure relates to expenditure created in the supply chain as a direct result of expenditure at each racecourse. (b) Secondary off-course expenditure relates to expenditure created in the supply chain as a direct result of off-course expenditure by race-goers and non-racing attendees at each racecourse.

Owners, Trainers and Breeders

3.1. Introduction

The previous chapter examined revenues and expenditure directly associated with the nine racecourses in the region. This chapter considers benefits arising from owners, trainers and breeders.

3.2. Owners

Owners contribute to the funding of horseracing in various ways notably through the purchase of horses, training, 'horse care', and racing.

Since this study is interested in owners' expenditure, the emphasis is placed on horses in training in Yorkshire, rather than on owners themselves. This gives a better indication of the impact and expenditure of owners in the region. The estimates of income flowing from the ownership of horses is derived from the total number of horses in training in the region and the average cost of a horse in training.

The total number of horses in training in Yorkshire has been obtained from the British Racing Authority. This data shows there are:

2,428 horses in training in Yorkshire, around 17 per cent of those in training in Britain.

Using the British average number of owners per horse, this suggests there are slightly more than 4,000 owners with horses in training in the region. Some of these will live outside Yorkshire. However, there will be a significant number of Yorkshire based owners with horses trained outside the region.

To establish the total contribution made by owners it is necessary to identify average costs per horse. These largely consist of expenditure on basic training, vets, farriers, transport, and racing expenses. For each of these we have used 'average owners' operating expenditure per horse' taken from 2010 report, adjusted for inflation. The following assumptions have also been made:

- The slightly different 'flat' and 'jump' costs for horses in training in Britain have been combined and averaged: £18,711 per horse per year.

- Some costs such as BHA registration and entry fees, race entry and insurance costs, are not included since:
 - a high proportion of this expenditure, such as race entry, will not occur within Yorkshire
 - race entry in Yorkshire races will have been included within racecourse income
 - some costs cannot be assigned to the region simply because a horse is trained in Yorkshire e.g. BHA registration and entry fees.

It is calculated that owners' expenditure on training is £45.4 million. Unfortunately, it has not been possible to establish the number of horses currently not in training. We have therefore used an estimate based on data from 2010. This suggests a regional estimate of £3.1m for Yorkshire. Together these two figures indicate total owners' expenditure in the region to be £48.5 million.

Some of this expenditure will be recouped through prize money and sponsorship. A certain proportion of this will have been 'won' at Yorkshire racecourses. It is therefore internal to the Yorkshire racing industry and has already been accounted for in racecourse estimates of the impact (Table 2.5). It is assumed here that this amounts to 40 per cent of owners' prize money: £9.8 million. This figure is therefore already included in earlier estimates, and should be removed from the overall owners' expenditure, suggesting **net owners' expenditure on horses trained in Yorkshire is £38.7m.**

In addition, it is also possible to include owners' expenditure on jockeys' fees payable for races run in Yorkshire. Including jockeys' fees in this way does not take into account where the owner, horse or jockey are based. Instead the assumption is made that races in Yorkshire earn jockeys' fees, regardless of where they reside. In 2019 these fees were set at £127.14 for flat races and £173.59 for jump races. Applying these figures to races run in Yorkshire (Table 2.2), suggests jockeys earned £1.6 million in jockeys' fees by riding in races within Yorkshire. Adding this owners' expenditure onto expenditure on horses trained in Yorkshire (£38.7 million) suggests:

Owners' expenditure into the region totalled £40.3 million.



3.3. Trainers

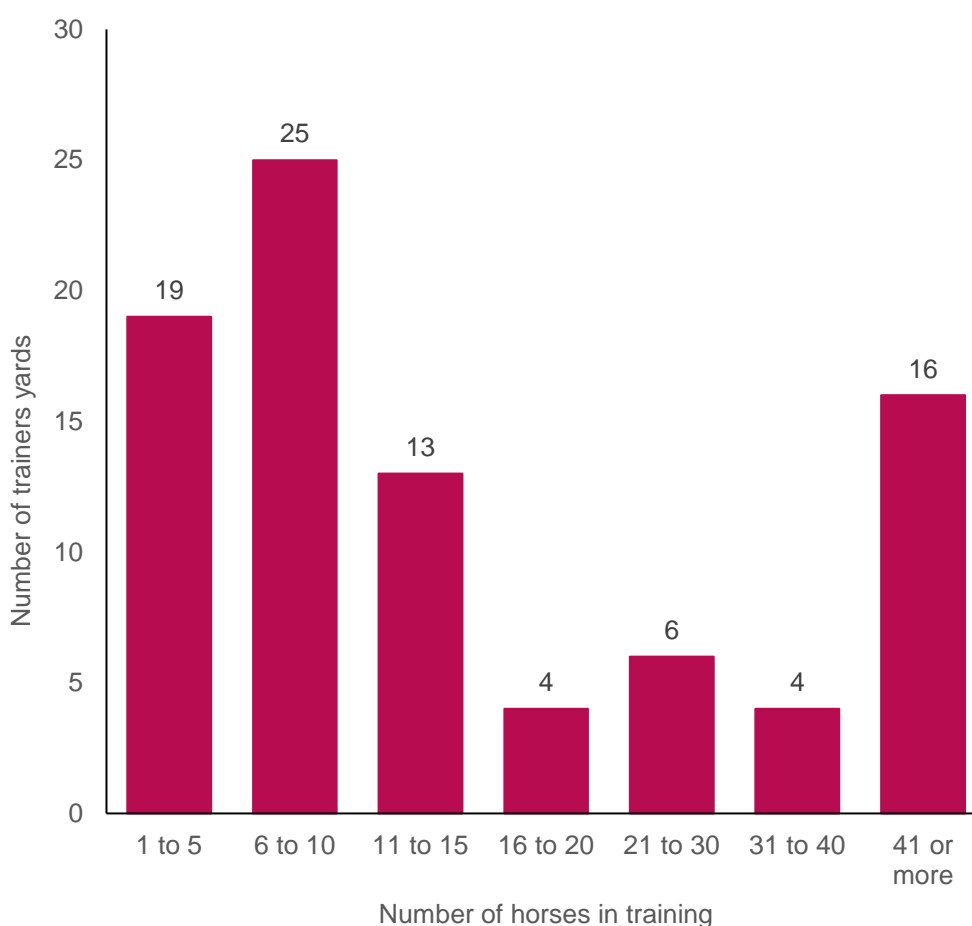
Expenditure on training of horses is included in owners' expenditure, which was calculated in the previous section. This section considers the scale of training in Yorkshire. Information provided by the British Horseracing Authority reveals there are:

87 licensed trainers in Yorkshire, around 15 per cent of those in Britain as a whole.

2,428 horses are in training in Yorkshire: 17 per cent of the national total.

Just over a half of trainers have ten or fewer horses in training. At the other end of the spectrum 16 trainers (18 per cent) each train more than 40 horses (Figure 3.1), including some of the biggest and most successful trainers in the sport.

Figure 3.1: Licensed trainers' yards by horses in training; 2019



Source: British Racing Authority

3.4. Breeders

Breeding is another important part of racing's contribution to the Yorkshire economy. The area is noted for its high level of breeding conditions, standards and infrastructure, as well as being home to some of the highest quality bloodlines in the world. Estimates of the economic contribution of Yorkshire's breeding industry have drawn on

information from the Thoroughbred Breeders Association (TBA). The TBA suggests that 7.4 per cent of breeders in Britain, in 2017, were located in Yorkshire. This proportion has been used to estimate the number of stallions, active broodmares and foals born in 2019 (Table 3.1).

Table 3.1: Bloodstock; 2019

	Yorkshire	Britain
Breeders	247	3,318
Stallions	14	182
Active broodmares	658	8,835
British born foals	356	4,778

Source: TBA 2017 and CRESR estimates

A 2018 PricewaterhouseCoopers study for the TBA provided a comprehensive study of the economic contribution of the breeding industry in Britain, including estimates of breeders' expenditure and associated employment levels. The report estimated that expenditure by the industry in Britain on wages/salaries and suppliers was £373 million. Applying this figure to the estimate for the proportion of British breeding activity occurring in Yorkshire, suggests:

Yorkshire's breeding industry was worth £27.8 million in 2019.

The main components of this expenditure are wages/salaries for employees employed in the breeding industry, stud and boarding fees, feed, vets and dental bills.

3.5. Other activities associated with racing

Mention should be made to three other activities located in the region:

National Horseracing College

The National Horseracing College (NHC), near Doncaster provides a responsive centre of training excellence in the North; identifying, encouraging and nurturing talent, particularly within young people keen to enter the industry. The NHC offers a wide range of courses, which specifically cater for the staffing needs of the British racing industry. It is proud that fully 94 per cent of its 12-week Foundation Course students go on to exciting careers in the horseracing industry, many of whom continue their education with NHC during their employment. In 2019 over 500 individuals took part in training at the NHC, which collectively delivered over 15,000 person days of training and development activities. A key part of its offer is the promotion of life skills and citizenship – it provides training across a range of skills for independent living, which include monetary budgeting, health & wellbeing, cooking, communication & organisation skills.

In 2019 the NHC employed an average of 43 employees per month and had an operating expenditure, including staff costs, of £2.4 million.

Goffs UK Ltd

Goffs UK Ltd, (formerly Doncaster Bloodstock Sales Ltd) is a registered Thoroughbred Auction House. Day to day running of the Auction House takes place from the company offices in Hawick, in the Scottish Borders. However, it sells over 3,500 racehorses a year through eleven sales at its state-of-the-art Sales Complex in Doncaster. Only off-course expenditure by attendees³ has been included in our estimations of the total economic impact of the industry in Yorkshire, outlined in the final chapter.

Point to point

A Point-to-Point is a form of amateur horseracing over fences held at a variety of Point-to-Point racecourses throughout the UK. The season starts in November and finishes in mid-June. Courses have facilities such as a bar and catering, many also have trade stands or even a Country Fair running alongside the day. Entertainment for children is often provided in the shape of bouncy castles and fairground rides.

Point-to-Points provide a valuable nursery ground for many future jump horses with a healthy market at public auction for promising Point-to-Point winners, as well as a secondary career for horses from the main course. Many jump jockeys begin their careers as amateurs on the Point-to-Point circuit and the informal, family atmosphere provides a great introduction to racing for many spectators.

Yorkshire is home to nine point-to-point courses which in 2019 staged 16 meetings. This represented around five per cent of all such meetings held in Britain during that year.

This chapter has identified activity in the region associated with owners, trainers and breeders, and briefly outlines other relevant activity. Chapter 4 pulls together evidence from this and Section Two, in order to provide overall estimates of economic impact and employment.



³ There were an estimated 70,000 visitors in 2019.

4

An assessment of Economic Impact and Employment

4.1. Introduction

This chapter brings together evidence developed in earlier chapters to provide an overall assessment of economic impact and employment associated with the horseracing industry in the Yorkshire.

4.2. The economic impact of horseracing in Yorkshire

Table 4.1 shows:

The economic impact of racing in Yorkshire (including non-racing activity) amounts to £300.2 million.

This represents a significant increase of £38.6 million (after adjusting for inflation) from the assessment of economic impact in the 2010 study.

If average capital expenditure over the past five years is included this is increased to an economic impact of £311.8 million. Around £227.3 million can be regarded as reflecting the impact of the racing industry itself (£162.3 million core expenditure and £64.9 million secondary core – further expenditure stimulated through its supply chain). Included in these figures is the secondary activity in businesses caused by core racing activity and income earned by those directly employed in the industry.



Table 4.1: Economic impact; 2019

	£, million
Racecourses	84.9
Levy (via racecourses only)	6.0
Owners	40.3
Breeding	27.8
Other racing (NHC and Point-to-Point)	3.5
Total core	162.3
Off-course by racegoers and Goffs Ltd visitors	36.8
Off-course by non-racing users of racecourses	15.3
Secondary core (a)	64.6
Secondary off-course (b)	20.8
Total Economic Impact	300.2
Capital expenditure (5 year yearly average)	11.6
Total Economic Impact including capex	311.8

Source: CRESR Racecourse survey, British Horseracing Association, Thoroughbred Breeders Association, CRESR estimates, Yorkshire Forward Regional Economic Model (REM). (a) Secondary core expenditure relates to expenditure created in the supply chain as a direct result of expenditure at each racecourse. (b) Secondary off-course expenditure relates to expenditure created in the supply chain as a direct result of off-course expenditure by race-goers and non-racing attendees at each racecourse.

Table 4.2 provides an estimate of the number of full-time equivalent **employees** within the core racing industry. This amounts to about **1,991 full time equivalent (FTE) jobs**. In addition it is estimated that Yorkshire's racing industry supports a further 1,637 FTE jobs in the wider Yorkshire economy. This means:

At least 3,628 FTE jobs are directly and indirectly supported by Yorkshire's horseracing industry. Over three quarters are likely to be in rural areas.

This is also a significant increase of 466 FTE jobs from number supported by Yorkshire's horseracing industry in the 2010 report.

Table 4.2: Employees: core racing industry; 2019

	General (FTE)	Race day (FTE)	Total (FTE)
Trainers	1,068		1,068
Breeders	259		259
Racecourses	159	62	221
Jockeys	117		117
On-course bookmakers		35	35
Caterers	100	147	247
NHC	43		43
Total	1,747	244	1,991

Source: CRESR Racecourse survey, British Horseracing Association, Thoroughbred Breeders Association, CRESR estimates, Yorkshire Forward Regional Economic Model (REM). Data may not sum due to rounding

5

Social benefits provided by the racing industry in Yorkshire

5.1. Introduction

The previous chapters have focused on the racing activity of the horseracing industry in Yorkshire and its impact on the economy, both in terms of expenditure and jobs. This chapter seeks to understand more about the social and charitable work occurring within the industry and societal benefits that it brings. It focuses on four parts of the racing industry in Yorkshire:

- The charitable work at Yorkshire's nine racecourses.
- Jack Berry House, a state-of-the-art rehabilitation and fitness centre for northern based jockeys located in Malton, North Yorkshire.
- Racing Welfare, a registered charity supporting the workforce of British horseracing by providing professional guidance and practical help to stud, stable and racecourse staff.
- New Beginnings, a registered charity who retrain and re-home former racehorses.

5.2. Charitable work at Yorkshire's nine racecourses

The survey of Yorkshire's nine racecourses identified the following five categories of activity which provide social benefits:

- Charity race days.
- Fundraising activities on race days.
- Supporting the wider racing industry.
- Providing community facilities and hosting community events.
- Providing sponsorship and donations to local charities.

Three racecourses (Catterick Bridge, Thirsk and York) were able to quantify the financial value of the majority of their charitable work in 2019. Summing this together gives just under £800 thousand in charitable work. **Across all nine racecourses the value of charitable work is likely to be over double this: approximately £1.6 - £2.0 million.**

The following provide examples of the social benefits provided by the racecourses.

Charity race days

Yorkshire's nine racecourses each host charity race days as an important feature of their calendars to raise awareness and significant sums for local and national charities. Examples include the Macmillan Charity Race Day at York which raised a record £660,000 in 2019 through an online auction and charity race. It is the biggest charity meet in Britain and has so far raised over £8.8 million over 49 years for good causes - this has benefited both Macmillan Cancer Support and many local cancer related charities, such as St. Leonard's Hospice and York Against Cancer. The race day lunch and charity race are managed, organised and driven by a partnership between Macmillan and York Racecourse, with a proportion of profits from the race day also being donated. The race day is run by the racecourse team, with aid from sponsors of races, the Macmillan team from their head office and also the local Macmillan fundraising committee. The race day falls the weekend before Royal Ascot and is the feature meeting on ITV who promote and publicise the charity, and the race programme works well in attracting competitive, well-funded races.



Fundraising activities on race days

As well as specific charitable race days Yorkshire's racecourses routinely host fundraising activities such as bucket collections on race days. These support a range of local charities, such as the Teesside Hospice and local food banks, through to larger national charities: Help for Heroes, The Royal British Legion and Racing Welfare. Such collections raise tens of thousands of pounds at each course each year for the charities they support.

Supporting the wider racing industry

Examples of how the racecourses support the wider racing industry include:

- Donating free race day entry to retired stable staff, including hospitality packages.
- Hosting and supporting awards for their local racing communities.

- Supporting the British Horseracing Authority's 'Racing to School' initiative, through donations and hosting visits.
- Working with Racing Welfare to host coffee mornings, enabling retired workers to stay in touch with each other to tackle social isolation and loneliness.

Providing community facilities and hosting community events

Positioned at the heart of rural and urban centres the nine racecourses provide their facilities to a range of local organisations and groups to operate out of and run events. Examples include:

- Ripon Racecourse, which hosts the Ripon Rowels Rotary Club annual firework and bonfire night as well as a classic car show, run by a local charity
- Pontefract Racecourse, which provides a facility to a local music and drama group for young adults with learning disabilities and special needs who use a room at the racecourse weekly.
- Weekly Parkruns which are hosted at Catterick Bridge and York.

Providing sponsorship and donations to local charities

Finally, the racecourses provide sponsorship and donations to local charities. This includes charitable donations of racing memorabilia, restaurant meal packages and race day badges, as well as directly sponsoring charities through financial donations.

5.3. Jack Berry House

Jack Berry House is rehabilitation centre for injured jockeys - located in Malton, North Yorkshire - which is funded by the Injured Jockeys Fund (IJF). The history of the IJF can be traced back fully 55 years following the devastating accidents suffered by jockeys Tim Brookshaw and, four months later, in the 1964 Grand National by Paddy Farrell. Both falls resulted in severe paralysis which immediately ended their careers. As an immediate response, Edward Courage and Clifford Nicholson set up the Farrell-Brookshaw Fund. Jack Berry, a leading jockey at the time, and a few others started a bucket collection at Wetherby races to raise money for the fund. The success of this initial activity and the acknowledgement that there is a much greater need to support the many jockeys who get injured led to the Jump Jockeys Charity, the Professional Riders Insurance Scheme (PRIS) and eventually the IJF.



Up until 10 years ago the IJF mainly supported jockeys through charitable assistance to enable them to access treatment and rehabilitation support – to date it has paid out more than £18m in charitable assistance. In 2009 it opened its first rehabilitation centre - Oaksey House - in Lambourn. This was followed by two further rehabilitation centres: Jack Berry House in Malton, North Yorkshire, and Peter O’Sullivan House located in Newmarket, Suffolk.

Jack Berry House was opened in 2015 by the IJF Patron, HRH The Princess Royal. It is a £3million state-of-the-art rehabilitation and fitness centre with the following facilities:

- A fully equipped gym for fitness and rehabilitation, and a hydrotherapy pool.
- Four respite rooms which offer ensuite accommodation and shared communal areas with full wheelchair access throughout.
- Education on nutrition, fitness and general lifestyle for young and aspiring jockeys designed to help reduce the risks of serious injury.

Jack Berry House provides much needed facilities and support for northern-based jockeys. Specifically the Centre provides jockeys quick access to specialist ‘racing’ facilities and services which would be more difficult to access through the NHS and would be less tailored to the specific needs of those working in the horseracing industry.

The Centre hosts a team of 12 staff, include a resident manager, a doctor, physiotherapists, strength and conditioning coaches, a sports rehabilitator, a nutritionist, clinical and sports psychologists and housekeeping support. Services are free of charge to currently licensed jockeys, both professional and amateur, who are injured. They are also available for a reasonable charge to any rider who has held license issued by the British Horseracing Authority; including apprentices, conditional and Point-to-Point riders, including any spouse, partner, child or dependents they may have.

In 2019 Jack Berry House provided over 6,000 booked appointment and had 24 jockey’s residents at the Centre during the year. It also has approximately 70 gym members.

Through its multi-disciplinary team the Centre is able to look after, and support, jockey’s mental and physical health after a fall. Typically, following a fall a jockey will be taken to hospital and an officer at the course will contact the IJF to inform them what has happened. An IJF officer will contact the hospital, the jockey and their support network to complete forms and arrange transport to Jack Berry House when they are ready to begin rehabilitation. Typically, jockeys will be resident at Jack Berry House for between 3 to 6 months, receiving tailored packages of holistic support.

A notable example of this support is provided by Derek Fox, who has publicly owed his 2016 Randox Health Grand National victory on One For Arthur, to the facilities and staff at Jack Berry House. Without them, he has said, he would never have recovered in time from breaking his left wrist and right collarbone in a fall at Carlisle four weeks earlier. In particular the immediate access to the expert multidisciplinary support available at Jack Berry House enabled Derek to make a quick recovery; not only being fit enough to take the ride but also feel more physically fit than before the fall.

5.4. Racing Welfare

Racing Welfare is a specialist charity whose purpose is to enhance the wellbeing of people who work in, or are retired from, the horseracing and thoroughbred breeding

industry. The Charity provides financial assistance, affordable housing and various services to:

- Relieve poverty, sickness and injury.
- Advance levels of education and progression amongst those working in the industry.
- Provide facilities for recreation and other leisure time activities to promote social welfare benefits, community cohesion and social capital.
- Advance and promote knowledge, for example about awareness, methods of prevention and treatment for sickness and injuries, sustained by those working in the industry.

Racing Welfare was formed in 2000 as an amalgamation of a number of charities and endowment funds which The Jockey Club held at the time. It initially focused on providing money in time of crisis and was based in Newmarket, with outreach work taking place around the country. Over the past 5-10 years this has changed substantially, with the move to regional working and a focus on more evidence-based preventative intervention, where the outcomes can be more substantial. Two of Racing Welfare's regional offices are based in Yorkshire at Middleham and Malton.

Through its range of programmes Racing Welfare supported just over 2,500 people in 2019. The number of people supported is likely to be more than double this amount this year because Racing Welfare has been at the fore of supporting those in the industry in response to the COVID-19 pandemic. In the first five months of 2020 the organisation has supported over 3,500 beneficiaries.

Racing Welfare provides supported living accommodation through its subsidiary housing association - Racing Homes – which owns and manages a portfolio of 165 units across the UK's racing centres. The accommodation is focused at retired and young people aged 16 to 24 years to enable residents to live, or remain, in racing centres – which include some of the most expensive rural areas of the country. The support provided seeks to ensure residents gain a happy and healthy start in the industry, with plans put in place to better prepare young people for work and life.

Alongside supported living accommodation Racing Welfare has a significant Workforce Wellbeing Programme which is funded by The Racing Foundation (£1.3-1.4 million per annum). It includes a racing support line with welfare officers, a careers service, training and advice line, occupation health, and mental health service. A key feature of the welfare officer's work is that they facilitate access and take up of services, as opposed to signposting. Welfare officers also are employed from the racing industry, so their understanding of the experience facing beneficiaries and are better able to link them into their own contacts within the industry.

The careers service aims to promote career planning and development in the industry. It was established as a preventative intervention to tackle mental and physical health issues and addiction, which research found had been caused by disenchantment and disillusion at a perceived lack of progression in racing jobs. The service engages its beneficiaries in open conversations focused not only on career planning but also on holistic packages of support connected to their working and personal life.

The occupational health service aims to tackle workplace issues before they reach crisis point. It emerged out of Racing Welfare's own research which identified the significant benefits from early intervention to tackle workplace issues. These can be seen in terms of improved mental and physical health, reduced absence from work and financial savings to employers and the NHS. The service provides telephone assessments with beneficiaries to identify appropriate treatments, which can be

funded by Racing Welfare. It also works closely with employers to agree back to work plans when workers have had time off work.

Racing Welfare also aims to provide an anchor in the UK's racing centres, supporting the racing and non-racing communities to remain strong and resilient. For example, it seeks to tackle social isolation and loneliness among the retired community by hosting coffee mornings and sporting reminiscence groups in each of the centres. This work relieves pressure on local NHS and social services.

In one specific example Racing Welfare has been central to Middleham establishing a local nursery and sustaining its local primary school. Before its intervention, the small market town had lost its nursery and the local primary school was also at risk of closure. This posed a significant issue to parents in the racing industry, who typically work unsociable hours. Racing Welfare and the Middleham Trainers Association each provided £20,000 to support the school to set up a nursery on its grounds, offering wrap around care and hours. This intervention has had many positive benefits for the whole local community, especially enabling racing families to access childcare and to return to work.

5.5. New Beginnings

New Beginnings is an equine charity which takes in horses straight from racing or private post racing homes where for whatever reason the owner can no longer look after them. They are one of only 10 rehoming centres officially accredited by Retraining of Racehorses (RoR), the British Horseracing's official charity for the welfare of horses that have retired from racing. They assist the RoR in their Vulnerable Horse Scheme, to provide care, compassion and stability for the most vulnerable former racehorses that need extra help and understanding. They are also a full equine welfare member of the National Equine Welfare Council.

New Beginnings look after up to 30 horses at any one time. Once ready to leave, horses are not sold, but re-homed to a forever home on loan, allowing the team to guarantee security for the rest of the horse's life.

Getting out into the community is important to New Beginnings in order to showcase their work, raise funds and make relevant connections. They attend about 20 race meetings a year with an exhibition trailer and two former racehorses, allowing the public to meet and touch the horses, while talking to the team about the work they do.

Other events they attend include local shows, Racing Welfare's Malton and Middleham Open Days and RoR events at Aintree.



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