



SECURING RACING'S FUTURE:

THE THREAT TO BRITISH HORSERACING

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The All-Party
Parliamentary
Group for
Racing and Bloodstock

British horseracing is a national institution woven into the fabric of our culture for hundreds of years.

It supports over 85,000 jobs and generates more than £4 billion for the economy every year.

It is a national and international success story.

But today the Government is threatening the very future of this success story with a triple whammy of financial risks:

- I. The Government wants to increase the tax on betting on horseracing online. This risks driving bettors to the black market which will only rob the sport – and the Treasury – of much-needed finance.
- II. It is pursuing a policy of affordability checks which is deterring people from betting on the sport, an activity that brings pleasure to millions.
- III. It has failed to meaningfully review the Levy system by which racing is funded, and which it promised to do by April 2024.

Combined, these three policies risk bringing about the end of a cherished national institution. For the Government should be under no illusions: the voters of Britain *love* horseracing.

Our polling in this report lays that bare:

- 53% of Brits say that horseracing is an important part of British culture.
- 61% believe the Government has a responsibility to protect the UK's international sporting standing.
- 56% support a law requiring greater reinvestment into British horseracing.

Politics is always about choice.

The Government has the power to axe the tax rise on horserace betting, stop telling punters how much they can afford to bet, and fix racing's funding.

Make the right choice and the Government will rightly be credited for safeguarding a highly popular sport.

Make the wrong choice and the Government will unnecessarily undermine a national asset and a world-leading industry.



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This report is the work of the All-Party Parliamentary Group (APPG) for Racing and Bloodstock, for which the British Horseracing Authority provides the secretariat. Polling was carried out by Strand Partners, who are British Polling Council accredited.

FOREWORD



We represent constituencies on opposite sides of the country, but one thing unites them above all else: horseracing. In Aintree and Newmarket, we are proud to represent racecourses that are famous around the world and host historic festivals that are followed by millions of people of every background and nationality.

Just as important as the history and tradition that has made them famous, is the contribution they make today. As employers and drivers of local and national economic growth, they play a pivotal role. Racing employs 85,000 people nationwide and adds over £4bn a year to our national income. Millions of pounds of international investment are drawn in from key trading markets by the world-leading standards of care, science and animal welfare found at British stud farms and training yards.

But racing's value goes even deeper. It is part of the social fabric of our communities. It helps to make up the identity and sense of place in racing towns. It brings together people from all backgrounds, unites families across generations, and is a way of life for rural communities.

The public agrees: a majority of Britons say that horseracing is an important part of British culture, while two-thirds see racing as an important part of the identity of towns like Newmarket, Doncaster and Cheltenham.

This is all at risk, however. Racing is facing a triple whammy of challenges that represent no less than an existential threat to the sport. Voters will not reward a government that fails to protect our country's second-largest sport from these dangers.

The future of the Horserace Betting Levy, racing's primary funding mechanism, remains unresolved. Britain is already falling behind international rivals like France and Ireland and without progress on the Levy soon, we will slip further.

The second threat is financial risk checks on gamblers. It is absolutely right to take steps to prevent gambling harms and protect at-risk punters, but the current inconsistent regime of financial risk checks by operators – ahead of these being formally introduced by the Gambling Commission – are hitting responsible bettors, failing to catch genuine problem gamblers, and also threatening the financial viability of one of Britain's most popular sports. These checks, when implemented, must be frictionless and proportionate.

The third leg of the triple whammy is the government's plans to harmonise the three taxes that are currently levied on gambling, into a single Remote Gambling Duty. In purely financial terms, this move threatens to hit operators to the tune of more than £40 million a year – a sum that will impact how bookmakers operate their businesses and, consequently, hit racing's finances. But its costs will be even more profound; it will drive more gamblers to the black market and lead to betting operators promoting more harmful forms of online gambling at the expense of racing, for which problem gambling rates are low and broadly comparable to those on National Lottery Products.

Without action on these issues, including an exemption for horseracing from the government's duty harmonisation plans, Britain's second-largest spectator sport and a cherished aspect of the social fabric of our communities will suffer great harm.

The millions of people in Britain who enjoy attending race meetings and having a flutter on the horses will not thank a government that, as this issue comes roaring down the track, stands idly by when it is in their power to stop it.

Racing's huge economic, social and cultural contribution, and Britain's standing on the global stage, is at stake. It is not too late to prevent irreversible damage, but the government must act, and act now.

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EXECUTIVE SUMMARY

British horseracing is a national institution woven into the fabric of our culture, supporting over 85,000 jobs and generating more than £4 billion for the economy each year. It is a vital force for economic growth in communities nationwide, a driver of international investment, and a powerful soft power asset on the global stage. But this modern British success story is now under serious and imminent threat.

Despite its value, British racing faces a dangerous combination of policy risks that, left unresolved, will do lasting damage to the sport and the communities that rely on it. The proposed harmonisation of gambling duties, an outdated and insufficient Levy system, and the blunt application of financial risk checks have created a triple threat that risks undermining racing's funding model, jobs, and long-term economic viability.

These threats are not hypothetical. Financial risk checks have already led to a £1.6bn fall in betting turnover on racing. Levy revenues are failing to keep pace with international competitors. And if the government proceeds with a single Remote Gambling Duty, operators could lose over £40m a year – money that feeds through into jobs, prize money, equine welfare, and investment in rural economies. Worse still, duty harmonisation measures that would treat horserace betting like online gaming products will perversely encourage more harmful forms of gambling, not less.



The public agrees.

Polling for this report found that:

- **53%** of Brits say that horseracing is an important part of British culture.
- **66%** see racing as an important part of the identity of towns like Newmarket, Doncaster and Cheltenham.
- **61%** believe the government has a responsibility to protect the UK's international sporting standing.
- **70%** agree that gambling companies should be required to reinvest some profits into the sports they profit from.
- **56%** support a law requiring greater reinvestment into British horseracing.

These views are cross-party, with support for horseracing and action to protect it found among supporters of the Labour government and backers of Reform UK, the Conservatives and Liberal Democrats.

British racing is at a tipping point. Unless urgent steps are taken to secure sustainable funding, reform the Levy, and implement proportionate risk checks, the sport - and the wider economic and social ecosystem it supports - will decline. That means job losses, diminished rural economies, a hit to Britain's global reputation, and the erosion of a sport that has brought people together for centuries.

The government has a choice: to safeguard a national asset and encourage its full potential, or to allow a world-leading industry to fall into irreversible decline.

THE VALUE OF RACING

Horseracing is a British institution. It is our country's second best-attended sport, an economic powerhouse, and the bedrock of communities the length and breadth of the UK. Its contribution – economic, social and cultural – is built on centuries of history and tradition.

From the first recorded race at Newmarket in 1622 and the first running of the world's oldest classic, the St Leger, at Doncaster in 1776, to contemporary greats like Kauto Star and Frankel, racing has grown and evolved, providing an indelible link with the past while being a thoroughly modern sporting and entertainment product.

Key events in the racing calendar, such as Royal Ascot, the Grand National, the Cheltenham Festival and Glorious Goodwood, punctuate British sporting and cultural life and attract the attention of hundreds of millions of spectators in every corner of the globe.



ECONOMIC POWERHOUSE

Racing makes a major contribution to the UK's economy, and to local economies in every part of the country. More than 85,000 jobs are supported by horseracing in the UK, mostly in rural areas, with over 10,000 people employed in equine-facing roles across the more than 500 training yards and 660 stud farms in Britain.

This rich stream of employment opportunities extends to young people. Racing takes huge pride in the sport's skills and apprenticeships programmes. The recruitment, training and education hub 'Careers in Racing' runs a free job board for the entire industry, advertising over 2,000 jobs each year. The National Horseracing College, the British Racing School, the National Stud and the Scottish Racing Academy are all key training providers that support and develop the careers of people from all walks and stages of life, ranging from school leavers to ex-offenders.

Vocational roles in these businesses can be ideal for those who have struggled in the education system or even left the armed forces, as while the work can be physical and involve unsociable hours, working with horses is recognised as being highly therapeutic.

British racing generates £4.1bn annually for the UK economy and contributes £300m a year in taxation to the exchequer. The high quality of British racing and the thoroughbred breeding industry attract significant levels of inward international investment, making the sport a key soft power asset for the UK abroad.

With previous modelling indicating that every 20 horses in training provide a £1m benefit to the rural economy, the continued production and racing of thoroughbred bloodstock supports both national and local economic growth, and British races are a major draw for international tourists.

This economic contribution is widely acknowledged by the public, with almost half (46%) of people believing horseracing benefits local economies and over half (52%) recognising that the sport creates jobs in the UK.



SOCIAL VALUE

Horseracing's benefits go far beyond the economy. A majority (53%) of Brits agree that horseracing is an important part of British culture, with that view being held by a majority of supporters of all major political parties.

Nearly 5 million attendees visit racecourses each year; a day at the races is a great social occasion that draws in people of all backgrounds, bringing friends, families and communities closer together.

There is no other sport in Britain where you will find the royal family and fans of every age, gender, race and background all in one stand, cheering on the participants and equally invested in the outcome.

Racing engenders local pride, acting as a focal point for social engagement, and is a key component of the fabric of communities in many towns and rural areas. Indeed, 2 in 3 people see racing as an important part of the identity of places like Doncaster, Newmarket and Cheltenham. Place matters, and racing is central to giving dozens of places in Britain their distinctiveness.

Crucially, racing is a truly national sport with a visible presence in every part of Britain, from Perth to Newton Abbot and Ffos Las to Great Yarmouth. This is just one reason why 58% of Brits say horseracing is accessible to watch live, with only 12% disagreeing.

Though they are renowned worldwide, the 59 racecourses across England, Scotland and Wales are proud local institutions which contribute to growing local economies, supporting young people, and acting as a key part of communities' sense of place and identity.



A MAGNET FOR INVESTMENT

The UK government is rightly seeking international investment in its quest for growth, which is the key to raising living standards and improving public services. Racing is already a shining example of a powerful soft power tool that draws in foreign direct investment to the benefit of local communities in the UK.

British racing is hugely popular around the world, especially in key trading markets like the Gulf, South East Asia and the USA. Millions of spectators in these regions follow British racing on a weekly basis, and many more tune into iconic events like the Cheltenham Gold Cup and the Grand National. Indeed, the latter reaches a global audience of 600 million across 140 countries.

This popularity translates into financial investment. 15,000 horses in training in Britain belong to over 1,150 international owners, and thousands of tourists visit the UK every year to attend the likes of Aintree, Cheltenham and Royal Ascot. At a time of stagnating global growth and rising trade barriers, this is an invaluable soft power tool that delivers real and tangible economic benefits. As an export, racing is a great British success story.

Its continued growth, however, is contingent on remaining competitive against international rivals, which is directly undermined by ongoing challenges around betting duty harmonisation, the Levy, and financial risk checks. Without satisfactory resolution to these issues, racing's future is in jeopardy and its ability to continue to drive international investment into every part of Britain is impaired.

There is a huge economic opportunity if racing can be fully leveraged as a soft power tool and a magnet for investment, but this requires certainty and reform at home.

ANIMAL WELFARE

Safety of animal and human participants is the number one priority for British racing. Britain leads the world in horse welfare standards, which is a source of huge pride, but there is no complacency about the need to continually learn and improve to maintain the highest possible standards.

Since 2000, British racing has invested more than £56 million in veterinary research, which has helped cut the number of fatal injuries suffered on the racecourse by a third, to just 0.2% of all runners. Racing's welfare strategy is overseen by the independently chaired, cross-industry Horse Welfare Board, and the whole sport constantly strives to improve safety.

Recent improvements include enhanced ground management to reduce injury risk; continuous monitoring of race-day procedures; the roll-out of pre-race veterinary checks; and changes to the iconic Grand National.

Science and data drives everything racing does with regards to animal welfare, and the sport is all too willing to provide the investment to ensure the best and most up-to-date evidence is driving decision-making.

The HorsePWR campaign – which highlights the care racehorses receive throughout their careers – promotes transparency and provides insights into areas such as training methods, injury prevention, retirement, and rehoming. HorsePWR also showcases the expertise of stable staff, trainers and vets who work tirelessly to keep horses healthy and happy.

Horses are the beating heart of British racing. Through investment, fearless oversight, a proactive approach to reform and an uncompromising commitment to the highest possible standards, racing ensures that the thoroughbreds that make the sport what it is receive the best possible care before, during and after racing, making Britain the envy of the world and a powerful example for animal welfare everywhere.



CHALLENGES

Racing is a modern British success story – a significant economic contributor, a key facet of the identity of communities around the country, and a major draw of inward international investment. But to remain competitive, avoid falling behind international rivals, and continue to deliver the national and local benefits that it has for centuries, racing needs support.

For too long, governments of all stripes have been complacent about the threats to this economic, social and cultural powerhouse. Growth is not inevitable, and failure to recognise the value and contribution of racing in policymaking could have profound, damaging and irreversible consequences.

If British racing falls even further behind competitors like France and Ireland, it will mean less investment, which in turn will mean fewer job opportunities, less revenue for the exchequer and a hit to economic growth. At worst, it could mean job losses and the irretrievable loss of institutions that help to define towns and communities across the UK. The political consequences would be profound.

It will hit Britain's global reputation, too, at a time when foreign direct investment is needed and rightly being sought.



The public recognises this:

- **62%** believe the government has a responsibility to protect the UK's international sporting standing.
- Almost half of Labour (**48%**) and Reform (**49%**) voters and over half (**54%**) of Conservative voters see horseracing as an important part of the UK's international standing in sport. **38%** of Liberal Democrats agree, too.
- **30%** say a decline in the UK's sporting reputation would affect how they vote - rising to **32%** among Conservative voters and further still to **43%** of both Labour and Reform voters.

At present, racing is facing a triumvirate of threats. The government's proposals to combine remote gambling duties into a single tax, affordability checks on gamblers, and failure to resolve issues around the Horserace Betting Levy, represent a dangerous triple whammy hitting racing. The government needs to carefully consider the unintended consequences of its decisions in all of these areas. It is no exaggeration to say that the future of Britain's second biggest sport is on the line.

DUTY HARMONISATION

The government's proposal to replace the current three-tax structure with a single Remote Gambling Duty represents an existential threat to horseracing. Racing has a uniquely symbiotic relationship with betting. The Horserace Betting Levy (the Levy), paid by bookmakers on their profits, is the central funding mechanism for the sport. It funds prize money, jobs, equine welfare and veterinary research, supplemented by media rights and sponsorships. In total, the betting industry contributes £350 million annually to racing.

If horseracing bets are taxed the same as online gaming products, such as casino games, roulette and slots, it will make horseracing a relatively – and significantly – more expensive product for operators, given the higher overhead costs associated with sports betting compared to online games. Online gaming products do not require the same staffing, infrastructure or operational costs, making them already a more attractive proposition to operators than sports betting.

These increased costs will incentivise gambling operators to promote betting on cheaper online gaming products at the expense of sports like horseracing. This is despite racing being a far safer form of gambling. NHS figures show that over 40% of gamblers using online slots, bingo or casino games are considered 'at risk', whereas that applies to less than 15% of in-person betting on horseracing. Meanwhile, studies show that horserace bettors have consistently been associated with low levels of 'problem gambling' – at levels similar to those associated with National Lottery products.

It would be perverse for the government to pursue a policy that will inevitably drive operators to promote a more harmful form of betting, and will directly undermine the government's admirable objective of reducing problem gambling.

By making sports betting relatively more expensive, operators are also more likely – where they do still offer odds – to offer poorer margins to bettors. This could well drive more punters to the black and grey markets, where regulation is weaker, risks are higher, and from which the exchequer will not benefit. This, too, would directly contradict the government's intentions.

A reduction in betting on horseracing, which would result from an erroneous conflation with online games, will threaten the financial viability of the sport. A new single Remote Betting & Gaming Duty of 21% will cost operators for online horserace betting over £40 million annually. This, in turn, will mean less money flowing to racing through the Levy, which remains the sport's key funding mechanism. This would threaten jobs, economic growth, and have a serious knock-on effect on industries like hospitality, retail and transport, which in racing towns around the country are heavily reliant on meetings. This damaging cocktail will put at risk a major part of the heritage and social fabric of dozens of these towns and rural communities.

To avoid this, horserace betting should continue to be taxed at a separate, lower rate than online gaming products. The government should rethink plans to introduce a single, flat-rate tax structure or, if it proceeds, grant an exemption to horseracing that recognises its economic, social and cultural value, and the reality that it is inherently less harmful. Failure to do so could have damaging and irreversible consequences for a sport that has brought joy to millions of people in every corner of Britain for hundreds of years.

Most people – horseracing fans or not – would recognise that placing a small flutter on the horses for the Grand National or the Cheltenham Gold Cup, or even betting larger amounts but only after a detailed study of form and odds, is not comparable to online games of pure chance that require no skill and can drain a player's bank account in minutes without them even noticing. It would be at best careless, and at worst knowingly negligent, to fail to recognise this distinction in government policy and to put at risk a modern British success story in the misguided pursuit of administrative simplicity.

LEVY

The Horserace Betting Levy (the Levy) is, as mentioned, the central funding mechanism for racing. The Levy – currently set at 10% of bookmakers' profits – finances prize money, equine welfare, and veterinary research. It is a reflection of the symbiotic relationship between horseracing and betting operators, and how both are reliant on the other.



It is widely supported by voters:

- **70%** of people agree that gambling companies should be required to reinvest some profits into the sports they profit from.
- **56%** support a law requiring greater reinvestment into British horseracing, with only **9%** opposed.
- This support is cross-party: **66%** of Labour voters, **64%** of Reform and Liberal Democrat voters, and **67%** of Conservatives voters back such a law.
- **51%** oppose betting companies making large profits, and **59%** oppose them paying large executive bonuses.

Despite this, however, racing receives less than 3% of the £13bn bet every year by British punters on horseracing. This is the lowest percentage of any major racing nation, putting Britain at risk of falling behind our international competitors, and acting as a drag anchor on growth.

The design of the Levy also discriminates against British racing. While operators are liable to pay it on a proportion of profits they make from bets placed at home, bets placed by British punters on overseas races are exempt. This acts as an inverse tariff on British racing and incentivises betting operators to push and promote overseas racing at the expense of our domestic industry.

A failure to increase the Levy and level the playing field by applying it to overseas racing, as other major racing nations do, will have a huge impact on the livelihoods of thousands of people employed through the sport and will lead to Britain being further diminished on the global stage.

45% of Brits say it's important the government ensures horseracing receives adequate support from betting companies. This rises to over half of Labour (54%), Reform (55%) and Conservative (56%) voters, and nigh on half (49%) of Liberal Democrats.

Nearly 3 in 5 (57%) Labour voters say their opinion of the government would improve if they required betting companies to invest a greater proportion of their profits into sports like horseracing. Around half of Conservative (48%), Reform (48%) and Liberal Democrat (52%) voters agree. The political opportunity for a government that takes action is clear.

FINANCIAL RISK CHECKS

British racing is completely committed to tackling gambling harms. Horserace betting is significantly lower risk than many other forms of gambling, such as online slots and casino games, and racing supports effective steps to prevent gambling-related harms.

The introduction of financial risk checks, however, are having a considerable and damaging impact on racing while failing to tackle the problem they are designed to address. Their introduction by operators ahead of and since the publication of the 2023 Gambling White Paper has led to a £1.6bn fall in online betting turnover on racing over the last two years, which in turn impacts the funding racing receives from the Levy.

Equally problematically, checks in their current form capture the vast majority of racing bettors who gamble safely and responsibly while missing those who are genuinely at risk. This means that responsible bettors who on no reasonable measure should not be considered 'at risk' are being driven towards black market operators, where the risks are higher and oversight immeasurably poorer. Meanwhile, genuinely at-risk gamblers continue to fall through the cracks and are being missed by the system designed to catch and protect them.

A more proportionate and frictionless system of financial risk checks, which better captures the distinction between the vast majority of safe, responsible bettors and those who are genuinely at risk, is essential not only for the future of racing, but to ensure efforts to tackle gambling harm are effective and sustainable.

CONCLUSION

The bottom line is horseracing – the second largest spectator sport in Britain – with immense economic and cultural value not just to rural areas, but to towns with racecourses across the country, risks being tipped into terminal decline without concerted action from policymakers on harmonisation, the Levy and affordability checks.

Of course, the sport has a symbiotic relationship with gambling, but betting on horseracing is very different to online casino games. Harmonisation is effectively a serious new tax on the sport via the backdoor, raising costs for operators and incentivising them to promote online and casino games instead. This would be disastrous for the sport, and bad for consumers.

The government and policymakers risk sleepwalking into a set of decisions that irreparably damage the sport, leaving it with no way back, with potentially severe consequences for livelihoods, jobs, and urban and rural communities alike who depend on and love racing. The strength of feeling among voters polled demonstrates clearly that the government risks looking out of touch, pursuing an unpopular course of action that is both bad policy and bad politics.

Our call to government is clear: exempt horseracing from plans to harmonise gambling duties, reflecting its fundamentally different nature and level of risk.

A blunt, one size fits all approach to harmonisation comes with serious and unnecessary unintended consequences for the sport. The government has a choice. Move ahead as intended and risk the future of British racing, or take the more considered route and give racing the exemption it needs from harmonisation.

In doing so, policymakers will safeguard a national asset and have the thanks and gratitude not just of stakeholders across the sport, but of people across the country who enjoy racing and depend on it for the livelihoods.

Polling Methodology

Strand Partners' specialist research team conducted a nationally representative online survey of 3,007 people between 15/04/2025 and 17/04/2025.

The survey was representative by age, gender, NUTS 1 region and political party support according to vote share in the 2024 general election.

Strand Partners is a member of the British Polling Council and abides by its rules.

