The British Racecourse Bookmakers' Association

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Paul Scully MP

Parliamentary Under-Secretary of State
Department for Business, Energy & Industrial Strategy
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Dear Sirs.

I am contacting you having recently had sight of a letter issued by yourselves to Local Authority Chief Executives thanking them for the efforts they have made in delivering the financial support to businesses made available under various Government grant schemes.

In your letter you make reference to several success stories reporting that grant schemes have been "implemented efficiently and speedily". However, for the individuals I represent as President of the British Racecourse Bookmakers' Association (BRBA), unfortunately this hasn't always been the case and response to applications for support has been inconsistent and in many cases slow in coming. In fact a number of bookmakers having applied for grant aid earlier this year are still waiting to hear whether their applications have been successful.

Bookmakers operating on-course are not able to work from their own business premises, they are licenced by the Gambling Commission to work only at those racecourses where they have purchased a lease agreement. As a direct consequence they were unable to apply for support under the Local Restriction Grant (LRG) scheme, despite the fact that they have been unable to work from the time of the first national lockdown in mid-March 2020.

When the Additional Restriction Grant (ARG) scheme was introduced, on-course bookmakers were assured that this scheme was applicable to businesses such as theirs i.e. businesses that didn't pay business rates. Consequently many bookmakers applied to the Local Authority in the area in which they resided for help under the scheme. Quite often the eligibility criteria set-out under the ARG scheme was difficult to interpret and application forms in many cases were 'one-size fits all' forms with many of the questions asked not relevant to our type of business. There was also a lack of consistency between Local Authorities as to information and evidence required when making an application.

Some local authorities responded favourable to applications for help, although many were willing only to accept applications based on the investment each bookmaker who applied had in pitches at a racecourse in the area of the Local Authority to which they had applied, accepting applications from all on-course bookmakers who had invested at racecourses within their boundaries, irrespective of where the bookmaker resided. Bookmaker applicants were then encouraged to also apply to other Local Authorities where they had invested in pitches.

Some Local Authorities introduced eligibility criteria which resulted in them only willing to provide support under the ARG scheme to those bookmakers residing within the boundaries of their specific area. This poses the question of since when in the UK as it been a requirement that business investment is confined only to those who reside in an area where they intend to conduct business? This qualification criteria is further evidence of inconsistency as, under the LRG scheme, applicants are allowed to make a claim for support in every area where they operate from business premises, even to the extent that they are able to make multiple claims in areas where they trade from more than one outlet. One would have expected, given the Government's objectives within the ARG scheme, that the fact that a business owner who effectively rents space at a place of business (a racecourse in our case) which itself pays rates to a Local Authority, would qualify them for support from that authority.

We at the BRBA have received a report from one members on being refused help under the ARG scheme he contacted the Local Authority concerned by telephone. He made it clear that he wasn't happy with the decision to refuse him a grant and confirmed he wanted to appeal the decision, only to be told "not to waste his time" as all the funds had already been allocated and there was "nothing left".

Some Local Authorities refused applications on the grounds that the racecourse in their particular area held only flat race meetings, which were out of season by the time the ARG scheme was introduced. One can't help wondering if this same rule was applied to all businesses in their area with a seasonal 'flavour' e.g. caravan parks, campsites, leisure parks etc. One would imagine the majority of businesses at seaside towns, for example, would be ineligible for support for half the year if such criteria was universally applied. The investment a bookmaker makes in an on-course pitch is measured over a number of years rather than months. If months were the relevant factor then those Local Authorities who provided grants based on taking the total of a bookmaker's investment at a racecourse and dividing it by the remaining years of the lease to give an annual fixed cost figure grossly undervalued investments. Dividing a bookmakers investment only by the number of months a racecourse operated would have provided a much larger figure on which to base a grant – but of course this wouldn't have been right, but nor is suggesting that someone is ineligible because the racecourse where they have invested and unable to recoup the associated costs is out of season.

At this moment in time racing with crowds is still a no-go area, and it would appear that the easing of restrictions for spectator sports like ours could be a long drawn out process. I note that in your letter to Local Authorities you encourage flexibility. You write "Businesses are counting on you to deliver this urgent support and be as flexible as possible to see them through what will hopefully be the final few months of restrictions". Perhaps a second letter to Local Authorities is required pointing out that through no fault of their own there will be some businesses in a situation whereby the easing of restrictions may not allow them return to work

in line with the Governments plans and, as a consequence, these are not the final few months of restrictions for some businesses – I would expect businesses like ours fall into this category.

Some members of the trade association which I represent have asked about Restart Grants. The advice I gave was that it appeared that Restart Grants, like the LRG scheme, were targeted at those who pay business rates, and this is confirmed by a recent email one BRBA member has now received from Sefton Council (InvestSefton) see attached. The email states "Businesses re-opening after the ending of national lockdown restrictions <u>may</u> be eligible for a Restart Grant of between £2667 and £18,000 depending upon the type of business and the rateable value of the property they occupy. <u>Grants are only available to Business Rates payers registered with the Council and subject to the national lockdown restrictions from 5 January 2021. On this basis is the Government intending to provide some form of restart support to businesses like ours, or are we again going to be denied support.</u>

To operate on-course bookmakers have not only invested in pitches, which have lost significant value do to the Covid-19 pandemic restrictions, they have also invested thousands of pounds in specialist technical equipment essential to the carrying out of their work. Much of this equipment will need upgrading, or maybe replacing, given the extent of the lockdown period and the move towards a cashless society. Surely, some form of Restart Grant to help businesses like ours to get back up-and-running when we eventually return to work should be seen as a necessity.

I look forward to hearing from you regarding my comments.

Yours sincerely,

Christopher Hudson

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President of the British Racecourse Bookmakers' Association.