



Northern Ireland  
Assembly

# Research and Information Service Bill Paper

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# Horse Racing (Amendment) Bill

**NIAR 100-21**

This Bill paper provides an overview of the Horse Racing (Amendment) Bill as introduced to the Assembly on 13<sup>th</sup> April 2021. The paper also identifies those areas within the Bill which may merit further consideration and, where relevant, compares similar provisions within GB and Ireland



## Key Points

- The Horse Racing (Amendment) Bill was introduced to the Assembly on 13th April 2021.
- DAERA see the Bill as a means to amend the Horse Racing (Northern Ireland) Order 1990 in order to allow for payments to be made from the Horse Racing Fund to horse racecourse operators; and for connected purposes.
- The Horse Racing (Northern Ireland) Order 1990 provides a legislative basis for the operation of the Horse Racing Fund in Northern Ireland.
- The Horse Racing Fund is resourced through the use of a levy paid by licensed on-course and off-course bookmakers.
- The Fund, as set out in the 1990 Order, currently has two named beneficiaries - Governor and Freeman of the Corporation of Horse Breeders, in the County of Down ('the Corporation') and Downpatrick Race Club ('the Company').
- Due to a change in ownership/operator at Down Royal Racecourse in 2019, the new operator, Down Royal Park Racecourse Limited, has been unable to access the Fund as they are not a named beneficiary.
- Downpatrick Race Club, who are a named beneficiary have not been able to access the Fund since 2019 due to the fact that DAERA was seeking EU state aid approval for the Fund.
- DAERA ultimately withdrew their application for EU state aid approval in 2020 as an assessment was made that the application was unlikely to be successful. Since the end of the 'Brexit' transition period on 31st December 2020, DAERA has been assessing the compatibility of the Fund with UK subsidy control requirements.
- As things stand, the Fund currently amounts to approximately £680,000.
- Areas for potential consideration in relation to the Bill include:
  - Limited scope of the Bill to deal with wider issues;
  - Potential state aid/subsidy issues;
  - Powers for the Department to amend the definition of horse racecourse operator;
  - Additions to the provisions around statements; and
  - Omission of Article 3 paragraph 6 from the Horse Racing (Northern Ireland) Order 1990.

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# 1 Introduction

Horse racing in Northern Ireland currently takes place at the following two racecourses within County Down:

- Down Royal;
- Downpatrick.

Under the auspices of the Horse Racing Fund, DAERA administers funding to assist with the development and operation of the two racecourses. The actual source of money for the Horse Racing Fund is a levy placed on licensed on-course and off-course bookmakers within Northern Ireland.

The legislative basis for the operation of the Horse Racing Fund can be traced to the Horse Racing and Betting (Northern Ireland) Order 1976<sup>1</sup>. The Fund, as created in 1976, had a single beneficiary, namely the Governor and Freemen of the Corporation of Horse Breeders, in the County of Down. It should also be noted that in 1976, the stated intention was for the Corporation to access the fund in support of the development/maintenance of a racecourse only within the vicinity of the Maze (Down Royal).

In addition to setting the grounds for creation and maintenance of the Horse Racing Fund, the 1976 Order defined the ways in which the Fund could be used as follows:

- To improve facilities for trainers, jockeys, spectators and horses;
- To improve the race track under management of the Corporation;
- To provide or improve technical services, facilities or equipment;
- To provide and improve totalisator facilities<sup>2</sup> in pursuance of a licence under Part II of the 1957 Betting and Lotteries Act (Northern Ireland);
- To provide or increase prize money;
- For such other purposes of the Corporation as the Department considers proper;
- To service loans for the purposes of improving facilities for trainers, jockeys, spectators and horses, providing and improving totalisator facilities in pursuance of a licence or for such other purposes of the Corporation, as the Department considers proper.

The 1976 Order was repealed and replaced through the introduction of the Horse Racing (Northern Ireland) Order 1990<sup>3</sup>. The 1990 Order incorporated a number of changes to the provisions under the 1976 Order including the following:

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<sup>1</sup> [Horse Racing and Betting \(Northern Ireland\) Order 1976](#)

<sup>2</sup> totalisator means the instrument, machine or contrivance commonly known as a totalisator, or any other instrument, machine or contrivance of a like nature or any scheme for enabling any number of persons to make bets on any event or contingency whatsoever, with one another on principles of a like nature.

<sup>3</sup> [Horse Racing \(Northern Ireland\) Order 1990](#)

- The addition of the Downpatrick Race Club, referred to as ‘the Company’, as a beneficiary from the Horse Racing Fund;
- A simplification with regards to the means for which the funds within the Horse Racing Fund can be utilised to the following:
  - to provide or supplement prize money;
  - to provide or improve technical or other services, being services with respect to the operation of racing;
  - for other purposes of the Corporation or the Company, being purposes to ensure the safety of spectators at race meetings or the proper conduct of racing.

With regards to the resourcing of the Horse Racing Fund, the 1976 Order determined the means by which the Horse Racing Fund would be financed through the form of a levy on licensed bookmakers who operated either on course or off course. The initial levy amounted to £5 per year per individual with a book making licence and £75 per year per individual bookmaking office licence.

It should be noted that the 1976 Order included the provision for these levies to be amended by further Order and this provision has been utilised in the following instances:

- The Horse Racing and Betting (Amendment) Order (Northern Ireland) 1982;
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- The Horse Racing and Betting (Amendment) Order (Northern Ireland) 1990;
- The Horse Racing (Charges on Bookmakers) Order (Northern Ireland) 1990;
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- The Horse Racing (Charges on Bookmakers) Order (Northern Ireland) 2003;
- The Horse Racing (Charges on Bookmakers) Order (Northern Ireland) 2007;
- The Horse Racing (Charges on Bookmakers) Order (Northern Ireland) 2010<sup>4</sup>.

The most recent changes to the levy on bookmakers made through the 2010 Order saw the introduction of the following fees, which remain in use at this time:

- £99 per year per individual with a book making licence – on-course bookmakers;
- £1,123 per year per individual bookmaking office licence where grant or renewal of a licence or for a provisional grant of a licence to be declared final is made after 31 December 2014 – off-course bookmakers.

The level of income generated by the levy has been identified as being approximately £350,000 per year<sup>5</sup> with the greater bulk of this money coming from the levy on off-course bookmaking offices. The Fund currently amounts to approximately £680,000<sup>6</sup>, on account of the fact that it has not been accessible since 2019.

The reason for this inability to access the Fund is due to two factors. Firstly, the change of ownership that occurred at Down Royal racecourse on 1<sup>st</sup> January 2019. The aforementioned, Governor and Freemen of the Corporation of Horse Breeders, in the County of Down, ceased to operate at Maze/Down Royal from this date. The new operator of the Down Royal/Maze racecourse, Down Royal Racecourse Limited, has not been able to access the fund as they are not a named beneficiary in the Horse Racing (Northern Ireland) Order 1990.

Secondly, Downpatrick Race Club, who are a named beneficiary of the Fund in the Horse Racing (Northern Ireland) Order 1990, have not been able to access the Fund due to DAERA seeking EU state aid approval for the Fund. DAERA ultimately withdrew their application for EU state aid approval in 2020 as an assessment was made that the application was unlikely to be successful. Since the end of the 'Brexit' transition period on 31<sup>st</sup> December 2020, DAERA has been assessing the compatibility of the Fund with UK subsidy control requirements.

## 2 Overview of Bill

The Horse Racing (Amendment) Bill was introduced to the Assembly on 13<sup>th</sup> April 2021.

The Bill consists of six clauses and table 1 below provides an overview of the main provisions within the Bill.

It should be noted that the primary objective of the Bill is to:

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<sup>4</sup> [The Horse Racing \(Charges on Bookmakers\) Order \(Northern Ireland\) 2010](#)

<sup>5</sup> [Horse Racing \(Amendment\) Bill: Department of Agriculture, Environment and Rural Affairs evidence, Committee for Agriculture, Environment and Rural Affairs, Hansard, 22 April 2021](#)

<sup>6</sup> *ibid*

*... amend the Horse Racing (Northern Ireland) Order 1990 in order to allow for payments to be made from the Horse Racing Fund to horse racecourse operators; and for connected purposes<sup>7</sup>.*

The Bill is essentially a technical amendment of the 1990 Order and as such the provisions within the Bill are fairly limited.

Table 1: Overview of Horse Racing (Amendment) Bill (Northern Ireland) clauses

Clause	Components
Clause 1 – Horse Racecourse Operators	<ul style="list-style-type: none"> <li>• Amends Article 2 of the 1990 Horse Racing (Northern Ireland) Order by removing definitions/references to the Company and Corporation.</li> <li>• Replaces previous definitions with a new reference to horse racecourse operator which applies to Downpatrick Race Club and Down Royal Racecourse Limited.</li> <li>• Amends Article 2, paragraph 2 of the 1990 Horse Racing (Northern Ireland) Order by adding a provision for DAERA to make amendment to the definition of 'horse racecourse operator' as it thinks appropriate, through regulations, subject to approval by the Assembly.</li> </ul>
Clause 2 – Horse Racing Fund	<ul style="list-style-type: none"> <li>• Amends Article 3, paragraphs 1 and 4 of the 1990 Horse Racing (Northern Ireland) Order by substituting references to the Corporation and the Company with 'horse racecourse operators'.</li> <li>• Adds an additional paragraph 4A to paragraph 4, Article 3, of the 1990 Horse Racing (Northern Ireland) Order which enables horse race operators to either submit a statement on either their own or together with any other horse racehorse operator, as part of their requirement to submit proposed budget and expenditure plans for the following year either on or before 31<sup>st</sup> October each year.</li> <li>• Adds an additional paragraph 5A to paragraph 5, Article 3, of the 1990 Horse Racing (Northern Ireland) Order clarifying that submission of a statement by a racecourse operator with any other racecourse operator means that references to a racecourse operator within paragraphs 4, 5 or 6 are references to the horse racecourse operators in question.</li> <li>• Omits paragraph 6, Article 3, from the 1990 Horse Racing (Northern Ireland) Order which enabled the Department to make payment from the Horse Racing Fund to the Irish Turf Club in respect of claims for prize money submitted to the Department by the Corporation and the Company.</li> </ul>
Clause 3 – Minor and consequential amendments	<ul style="list-style-type: none"> <li>• Amends Article 6 paragraph 1(a) of the 1990 Horse Racing (Northern Ireland) Order which deals with the power for persons authorised by the Department to enter land in order to complete survey, valuation or examination with respect to works by substituting references to 'the Corporation and the Company' with 'a horse racecourse operator'.</li> <li>• Amends Article 7 of the 1990 Horse Racing (Northern Ireland) Order which deals with returns or information to the Department by substituting references to 'the Corporation and the Company' with 'each horse racecourse operator'.</li> <li>• Amends Article 10 paragraph 1 of the 1990 Horse Racing (Northern Ireland) Order as it relates to the keeping and preparation of accounts by substituting references to 'the Corporation and the Company' with 'each horse racecourse operator'.</li> <li>• Amends Article 10 paragraph 2 of the 1990 Horse Racing (Northern Ireland) Order as it relates to the auditing of accounts by substituting references to 'the Corporation or, as the case may be, the Company' with 'the horse racecourse operator'.</li> </ul>

<sup>7</sup> [Horse Racing \(Amendment\) Bill, as introduced 13th April 2021](#)



Clause	Components
	<ul style="list-style-type: none"> <li>Omits Article 11 of the 1990 Horse Racing (Northern Ireland) Order which dealt with rules and bye-laws of the Corporation.</li> <li>In Schedule 1 of the 1990 Horse Racing (Northern Ireland) Order omits paragraphs 5 and 6 which dealt with amendments to the rules and bye laws of the Corporation.</li> </ul>
Clause 4 – Interpretation	<ul style="list-style-type: none"> <li>Makes clear that references within the Bill to the ‘1990 Order’ mean the 1990 Horse Racing (Northern Ireland) Order.</li> </ul>
Clause 5 – Commencement	<ul style="list-style-type: none"> <li>Establishes that the Bill, when it becomes an Act, will come into operation on the day on which it receives Royal Assent.</li> </ul>
Clause 6 – Short Title	<ul style="list-style-type: none"> <li>The Bill, when it becomes an Act, will be referred to as the Horse Racing (Amendment) Act (Northern Ireland) 2021.</li> </ul>

## 4 Public consultation

DAERA formally launched their public consultation on proposals to amend the Horse Racing (Northern Ireland) Order 1990 on 12<sup>th</sup> May 2020 and the consultation closed on 25<sup>th</sup> June 2020.

The consultation document<sup>8</sup> explicitly identified the purpose of the public consultation as being to seek views on a proposed amendment to the name of the beneficiaries of the Horse Racing Fund so that the current operators of Down Royal racecourse are eligible for support under the Fund. As well as looking at this specific issue, the consultation document also gave respondents the opportunity to comment on wider aspects around the operation of the Fund.

Eleven written responses<sup>9</sup> were received by the close of the consultation period from the following organisations:

- Downpatrick Race Club;
- Down Royal Park Racecourse Limited;
- Equine Council NI;
- Giant’s Park C.I.C.;
- Governor and Freeman of the Corporation of Horse Breeders;
- Horse Racing Ireland;
- Lisburn and Castlereagh City Council;
- NI On-course Bookmakers Association (NIOCBA);
- NI Turf Guardians Association (NITGA);
- North West Bookmakers, trading as Ladbrokes(Ladbrokes);
- Run with Passion Ltd, trading as Drumbo Park (Drumbo Park).

<sup>8</sup> [Consultation on Amendment of the Horse Racing \(Northern Ireland\) Order 1990, DAERA, May 2020](#)

<sup>9</sup> [Consultation on Amendment of the Horse Racing \(Northern Ireland\) Order 1990, Consultation Responses, DAERA, February 2021](#)

The submission from Drumbo Park was received after the consultation period deadline but DAERA chose to incorporate the response in their consultation findings.

With regards to the proposed amendment of the named beneficiaries of the Horse Racing Fund within the 1990 Order, so that the current operators of Down Royal racecourse are eligible for support under the Fund, the following was recorded:

- Six respondents were fully in favour of the specific proposal - Down Royal Park Racecourse Limited (DRPRL), Downpatrick Race Club, Lisburn and Castlereagh City Council, Horse Racing Ireland, Equine Council NI and NI On-course Bookmakers Association (NIOCBA);
- Three stakeholders gave qualified agreement to the proposal – The Governor and Freeman of the Corporation of Horse Breeders (the Corporation) and Giant’s Park C.I.C;
- Two respondents were against it - Northern Ireland Turf Guardians Association (NITGA) and Ladbrokes.

Issues identified by those either opposing the proposed amendment or who gave qualified support included the following<sup>10</sup>:

- *Downpatrick Race Club (referred to in the 1990 Order as “the Company”) should be the sole beneficiary and the Department should disburse the fund to Downpatrick racecourse only;*
- *The proposed beneficiary is a purely commercial entity and the amendment represents a highly significant departure from the established policy;*
- *Any amendment to the beneficiaries of the HRF should therefore require careful consideration to ensure that public funds do not provide unjust enrichment to the profits of commercial companies;*
- *No evidence has been put forward within this consultation paper to suggest that profits made by the new operator will be reinvested into Northern Ireland racing;*
- *Concerned about this funding being used to subsidise another fully commercial business such as the new operators of Down Royal. We do not believe this was the intention of the original legislation;*
- *Concerns around EU state aid eligibility;*
- *The remit of the Fund should therefore be extended to include Drumbo Park Racecourse (greyhound racing);*
- *Narrow amendment to the 1990 Order is not appropriate in the circumstances. – covid19 and impacts on racing;*
- *Down Royal, the current operators of racing at Down Royal Park Racecourse, is a commercial private ‘profit taking’ entity;*
- *The Corporation are adamant however that given its unique objects and constitution both Downpatrick Race Club and the Corporation should remain as potential*

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<sup>10</sup> ibid

*beneficiaries under the legislation and a new category of beneficiary should be created for any and all private entities (eg. Down Royal) which might meet the qualification criteria from time to time.*

Other wider issues raised by respondents included the following:

- A need for reform of current gambling legislation;
- A need to look at both how the Horse Race Fund was funded and how other income streams could be developed;
- Specific questions around the operation of the levy – rates, flat rate or margin related, differences between on-course and off-course;
- Departmental responsibility for the Fund – is DAERA best placed in light of wider gambling review.

#### 4 Horse race funding provisions in neighbouring jurisdictions

Table 2 below provides an overview of the provisions utilised for the funding of horseracing within the neighbouring jurisdictions of Great Britain and Ireland.

Table 2: Horse racing funding provisions in neighbouring jurisdictions

Jurisdiction	Horse racing funding provisions
Great Britain	<ul style="list-style-type: none"> <li>• Horserace Betting Levy operates under the auspices of the Horserace Betting Levy Board<sup>11</sup>.</li> <li>• Board was created by the 1961 Betting Levy Act and operates within the provisions of the 1963 Betting, Gaming and Lotteries Act<sup>12</sup> (as amended).</li> <li>• UK Government announced plans to do away with the Horserace Betting Levy Board by April 2019 but these plans were abandoned due to House of Lords and House of Common committee recommendations that the Government's proposed Legislative Reform Order was not an appropriate mechanism for the purpose.</li> <li>• Last business plan produced by the Board and covering the period of 2018/19 indicated a planned expenditure of £85.3 million against a projected income of £93 million<sup>13</sup>.</li> <li>• Levy is collated as a 10% charge on all bookmakers profits above £500,000 as set out in the Horserace Betting Levy Regulations 2017<sup>14</sup> – payable by on course, off course, online and even offshore bookmaking organisations and betting exchange providers.</li> <li>• There is also a Greyhound Racing Fund<sup>15</sup>, set up in 1992, that operates within Great Britain and is funded by a voluntary contribution from bookmakers - currently 0.6% of turnover on greyhound racing. During financial year 2019-20, just under £9m<sup>16</sup> was collected from bookmakers' voluntary contributions.</li> </ul>
Ireland	<ul style="list-style-type: none"> <li>• Horse and Greyhound Fund was created by Horse and Greyhound Racing Act, 2001<sup>17</sup>.</li> </ul>

<sup>11</sup> [Horserace Betting Levy Board website 9th June 2021](#)

<sup>12</sup> [Betting, Gaming and Lotteries Act 1963](#)

<sup>13</sup> [Horse Race Betting levy Board website, business plan webpage, 9th June 2021](#)

<sup>14</sup> [Horserace Betting Levy Regulations 2017](#)

<sup>15</sup> [British Greyhound Racing Fund website, 9th June 2021](#)

<sup>16</sup> *ibid*

<sup>17</sup> [Horse and Greyhound Racing Act, 2001](#)

Jurisdiction	Horse racing funding provisions
	<ul style="list-style-type: none"> <li>• Fund is resourced through a determination by the Revenue Commissioners, equivalent to the revenue from excise duty on off-course betting paid into the Exchequer in the preceding year or the year 2000 increased by reference to the Consumer Price Index, whichever is the greater.</li> <li>• Fund is managed by Minister for Agriculture, Food and the Marine.</li> <li>• Fund is not paid out to individual racecourses by Minister – rather money is distributed to governing bodies for horseracing (Horesracing Ireland) and greyhound racing (Greyhound Racing Ireland).</li> <li>• Money is allocated on a basis of 80% going to horseracing and 20% to greyhound racing.</li> <li>• Fund has a budget of €96 million in 2021<sup>18</sup> - has spent money in Northern Ireland in recent years – for example the HRI Racecourse Capital Development scheme provided €182,697 towards the €727,571 cost of works proposed on two of the racecourse grandstands and the jockey changing facilities at Down Royal in 2019<sup>19</sup>.</li> </ul>

## 5 Potential issues for consideration

There follow a number of suggested potential points for consideration as part of the scrutiny of the Bill.

### 5.1 Limited scope of the Bill to deal with wider issues

As previously highlighted the Bill, as it stands, is a largely technical amendment of the 1990 Horse Racing (Northern Ireland) Order, largely focussed on changes to the named beneficiaries of the Horse Racing Fund.

Within this context, and cognisant of the range of issues raised during the public consultation exercise and existing provisions in neighbouring jurisdictions, Members may wish to establish DAERA's plans with regards to either a wider review, or amendment of, the 1990 Order in areas such as:

- The potential for the Horse Racing Fund, or a successor Fund, to provide support for activities such as greyhound racing and point to point horse racing;
- The potential for the Horse Racing Fund, or a successor Fund, to incorporate specific, dedicated and explicit provisions for animal welfare in relation to purposes for which resources within the Fund could/should be utilised;
- The potential for the funding model for the Horse Racing Fund, or a successor Fund, to be changed from the current flat rate fee system to something more akin with the model deployed in Great Britain or Ireland as set out in table 2. This would of course have to include a potential revision to the Horse Racing (Charges on Bookmakers) Order (Northern Ireland) 2010.

Additionally, there may be merit in seeking DAERA's views on the potential for any changes from the proposed reform of the Betting, Gaming, Lotteries & Amusements

<sup>18</sup> [Almost €10 million extra for racing in Budget 2021, The Irish Field, 16 October 2020](#)

<sup>19</sup> [Racecourse Capital Grant Aid approval for Down Royal Racecourse, Horse Racing Ireland news webpage, 9 May 2019](#)

(NI) Order 1985<sup>20</sup>, announced by the Minister for Communities, in May 2021<sup>21</sup>. More specifically, does DAERA envisage any potential change to the definition of a bookmaker in the 1985 Order, and has there been any assessment as to potential consequential impacts on the budget of the Horse Racing Fund?

## 5.2 Potential state aid/subsidy issues

It would appear that the Horse Racing Fund no longer needs to be compliant with EU State Aid rules because the UK 'Brexit' transition period has now expired and the Ireland/Northern Ireland Protocol state aid requirements will not apply to it. These developments are significant, as DAERA had previously been seeking a decision from the European Commission on a state aid application to enable the Horse Racing Fund to continue to operate.

There are however potential questions with regards to compliance with the new UK state aid framework as administered by the UK Department for Business, Energy and Industrial Strategy (BEIS). More specifically, there is a need for clarity in relation to the following.

Firstly, the UK-EU Trade and Co-operation Agreement (TCA) sets out a series of principles that need to be adhered to with regards to subsidies that exceed more than 325,000 so called 'special drawing rights', which roughly equates to £350,000 being given to a single beneficiary over 3 years<sup>22</sup>. In light of this information, does DAERA believe that the Horse Racing Fund would be required to adhere to the public subsidy principles that are central to the UK-EU TCA? Additionally, BEIS advice reveals that '*public authorities can still pay out subsidies under previously approved schemes as these will be in line with the principles*', which raises the obvious question as to whether the Horse Racing Fund qualifies as a previously approved scheme? If the Horse Racing Fund was previously an approved scheme, would the proposed changes within the Bill alter that status?

Secondly, if the Horse Racing Fund does need to meet the UK-EU TCA subsidy principles, is DAERA confident that it meets all six identified principles as follow? :

- subsidies should pursue a specific public policy objective to remedy an identified market failure or to address an equity rationale such as social difficulties or distributional concerns ("the objective");
- subsidies should be proportionate and limited to what is necessary to achieve the objective;

<sup>20</sup> [Betting, Gaming, Lotteries & Amusements \(NI\) Order 1985](#)

<sup>21</sup> <https://www.bbc.co.uk/news/uk-northern-ireland-57266097>

<sup>22</sup> [Summary guide to awarding subsidies, Guidance, Department for Business, Energy and Industrial Strategy website, 31 December 2020](#)

- subsidies should be designed to bring about a change of economic behaviour of the beneficiary that is conducive to achieving the objective and that would not be achieved in the absence of subsidies being provided;
- subsidies should not normally compensate for the costs the beneficiary would have funded in the absence of any subsidy;
- subsidies should be an appropriate policy instrument to achieve a public policy objective and that objective cannot be achieved through other less distortive means;
- subsidies' positive contributions to achieving the objective should outweigh any negative effects, in particular the negative effects on trade or investment between the Parties.

BEIS guidance<sup>23</sup> suggests that a failure to comply with all 6 principles could leave a public body awarding a subsidy open to the risk of judicial review. Is this an issue that DAERA has any concerns around in bringing forward the Horse Racing Amendment Bill?

### **5.3 Powers for the Department to amend the definition of horse racecourse operator**

Paragraph 4, within Clause 1 of the Bill makes it clear that DAERA will have powers to amend the definition of 'horse racecourse operator' as it thinks appropriate, through the introduction of Regulations, which would be subject to Assembly approval.

Whilst the logic of including this provision seems sound in light of the current issues brought about by the change of ownership at Down Royal, it would however be useful to establish the exact means by which Assembly approval would be sought. More specifically, it would be useful if DAERA could clarify if the approach being advocated is the draft affirmative procedure.

Additionally it would be useful for DAERA to outline the potential circumstances under which any Regulations could/would be utilised. For instance, could the regulations be used to add new beneficiaries to the Horse Racing Fund?

### **5.4 Additions to the provisions around statements**

Article 3 of the Horse Racing (Northern Ireland) Order 1990 sets out the basis for the operation and accessing of funds within the Horse Racing Fund. Paragraph 4 in particular states the following:

*(4)The Corporation and the Company shall on or before 31st October in each year submit to the Department a statement of the proposed budget and expenditure plans of the Corporation and the Company for the year commencing on 1st January next following.*

Clause 2 of the Bill proposes the introduction of an additional paragraph 4a as follows:

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<sup>23</sup> *ibid*

*(4A) A horse racecourse operator may submit a statement under paragraph (4) either on its own or together with any other horse racecourse operator.*

It would be useful for DAERA to answer a number of questions around the rationale for this new paragraph including:

- What was the approach taken by both the Corporation and the Company historically i.e. did they generally submit a joint statement to the Department?
- Were there any instances where the Corporation or Company submitted separate statements to the Department?
- Did paragraph 4 within Article 3 of the 1990 Order prohibit the submission of separate statements by the Corporation or Company?
- Does the proposed addition of paragraph 4A suggest that there may not be a collaborative working relationship between the racecourse operators at Down Royal and Downpatrick?
- Building on the previous point would the submission of separate statements present challenges to DAERA? Furthermore, what process/criteria does DAERA use to allocate funds to the racecourse operators? Is there an equitable split?
- Would the facility of separate statements raise the possibility of both racecourse operators competing against each other in their applications for support under the Fund?

## **5.5 Omission of Article 3 paragraph 6 from the Horse Racing (Northern Ireland) Order 1990**

Paragraph 6 of Article 3 within the Horse Racing (Northern Ireland) Order 1990 provided a means for DAERA to make payments from the Horse Racing Fund to the Irish Turf Club. This provision only applied to funds being used to provide or supplement prize money.

Clause 2, paragraph 7 of the Bill proposes the omission of this provision. There could be a sound logic to this decision, given the fact that the Irish Turf Club ceased to exist in 2018, being replaced by the Irish Horseracing Regulatory Board<sup>24</sup>. It could nonetheless be useful to get answers to a number of questions as follows:

- How commonly was the option to pass monies from the Horse Racing Fund to the Irish Turf Club utilised?
- What has determined DAERA's decision to omit this provision rather than seek to update/change the name of the potential beneficiary to the Irish Horseracing Regulatory Board or another body?

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<sup>24</sup> [Irish Horseracing Regulatory Board website, about us webpage, 9th June 2021](#)