Central Service and Contingency Planning Group Central Management Branch

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Dear Nick

## THE HORSE RACING (AMENDMENT) BILL – PROPOSED AMENDMENT

During the Committee's consideration of the Horse Racing (Amendment) Bill on 7 October, Members referred to oral evidence provided to the Committee on 23 September, when representatives of Downpatrick Racecourse raised an issue regarding unpaid claims against the Fund covering recent years.

Officials restated why it not been possible to consider these claims at the time. It was not possible to pay Down Royal as it is not named as a beneficiary to the Horse Racing Fund (the Fund), and payments to Downpatrick were suspended as to pay one racecourse from the Fund and not the other would create unfair competition in the market and therefore breach Subsidy Control rules. This, as the Committee will be aware, is the key issue that the Bill seeks to address.

Officials confirmed that the proposed amendment to the Bill that had already been shared with the Committee regarding transitional provisions (clause 4A) would ensure there will be no delay in the reinstatement of payments after enactment, but that it was not the intention of that clause to allow for payments from the Fund for the period before the Bill became law.

Officials agreed to consider if such an amendment would be possible, and if it was, to seek the views of the Minister on bringing forward such an amendment. Your letter of 7 October followed up on this issue, asking for confirmation whether something could be done to address this issue.

Having taken further urgent advice on this matter, I am pleased to confirm the Minister's intention to table an additional amendment to the Bill, subject to any further issues raised **Sustainability** at the heart of a living, working, active landscape valued by everyone.

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by the Office of Legislative Counsel.

While the amendment would seek to allow for payments from the Fund for eligible spend incurred prior to the Bill's enactment, the Department's assessment is that this can only relate to the calendar year 2021, which is the period after the end of the EU Exit Transition period, and from when UK Subsidy Control rules have applied. Any payments before this would be a breach of EU State Aid rules, which continue to apply to that period.

Despite this, we would be hopeful that any provision that will allow payments on 2021 receipts will be welcomed by both racecourse operators.

Once an amendment has been drafted, the Department will share it with the Committee, and will be on hand to discuss it in detail should that be helpful.

I would be grateful if you could bring this to the attention of Members.

Yours sincerely

Michael Oliver Departmental Assembly Liaison Officer

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