



## **Pitch Administration ~ Update - 2<sup>nd</sup> August 2007.**

The pitch administration Working Group's latest meeting was held on 30th July when progress continued to be made. The outstanding issues with respect to the new bookmaker owned pitch administration company are the budget and the composition of the Board of Directors. Concerning the budget, there are two options under consideration. These can be summarised as follows.

Option 1: To undertake administration with a slimmed down version of the NJPC which should result in a daily fee of £20. An alternative version of this option is that the daily fee could be reduced by the use of FRB money to subsidise the fee. In effect, this would mean that the SIS refund which is paid in arrears in May could be partially paid up front to reduce the fee to a more reasonable figure.

Option 2: To reduce the field operation to a self employed operation. Calculations are currently being made to estimate by how much this will reduce the daily fee but the administration problems associated with this option could outweigh any financial advantages.

To resolve this issue and any others still existing, it is proposed that there should be three road shows at which bookmakers will have the opportunity to express their views. Further details will be provided in due course.

In all the above options it must be appreciated that the higher daily fees are entirely due to the loss of pitch transfer income as a consequence of the RCA letter of 14<sup>th</sup> March 2007.

### **Post 31<sup>st</sup> August 2007 position.**

The NJPC will lose its authority to administer pitches at this date, but the new firm (i.e. Newco) will not have gained authority because of the DCMS consultation exercise. Contingency plans are being formulated for the period September – October to enable the NJPC to continue administration and keep pitch fees at the current level. However, it should be noted that list positions will be frozen in this period i.e. there will be no pitch exchanges either by auction or private treaty.

Further information will become available as soon as possible about the need for bookmakers to carry DCMS authorisation in the form of operating licences which should be distributed in the next month.

### **Post 31<sup>st</sup> August 2012 position.**

You will be aware that the DCMS Select Committee has announced an enquiry into the impact on racecourse bookmakers of the Gambling Act. Select Committees are very powerful bodies and your organisations will be making strong representation to this Committee. You will be kept informed of developments and any suggestions by our appointed lobbyist.

*Federation of Racecourse Bookmakers.  
2<sup>nd</sup> August 2007.*