

TRAINING COST SURVEY- 2010

SUMMARY POINTS

1. The average cost of owning and running a racehorse in 2010 was:

For a Flat horse **£20,264** (£15,340)
For a Jumps horse **£16,128** (£12,046)

These costs include all training and racing costs – ie training fees, gallops, farrier, transport, vets, Weatherbys/BHA, entries, jockeys, pre/out of training etc. The average cost for Flat and Jumps horses combined is **£18,651** (this is after weighting results to correctly represent the proportion of Flat vs Jumps horses in training),

For Flat horses, there is considerable variation in the total training and racing costs. Whilst the average cost works out at £20,264, for one in ten of Flat horses in our sample the total cost exceeded £29k and for one in three exceeded £22k.

Bracketed figures above refer to training costs specifically – ie training fees, gallops, farrier, supplements, clipping and pre/out of training. Note costs of horse insurance and VAT are excluded from all figures quoted.

2. Figures of great interest are the ‘**cost per run**’ calculations. Here we divide the average cost of owning and running a racehorse in 2010, by the average number of times each horse actually ran. A Flat horse (in our sample) ran on average 6.7 times, whilst a Jumps horse ran 5.1 times (this after excluding the 13 out of 170 horses in our sample who did not run at all in 2010). The ‘cost per run’ works out at **£3056** for a Flat horse and **£3218** for a Jumps horse.

These ‘cost per run’ calculations are obviously of particular relevance to prize money levels , in that they should make owners question the wisdom of running horses in races worth less than £3k to the winner.

3. There is considerable variation in costs between ‘Big’ trainers and ‘Small’ trainers (definitions based on combined rankings of prize money and number of winners in 2010), with this most notable for Flat horses. It is probably most sensible to look at the differences here based on training costs (as defined earlier), thus excluding the more variable elements like racing (entries, jockeys, transport, racing expenses) and veterinary costs.

The average training costs x size of trainer work out as follows for 2010:

	FLAT	JUMPS
‘Big’ trainers	£19,017	£13,519
‘Middle tier’ trainers	£16,485	£11,810
‘Small’ trainers	£12,095	£10,755

4. When thinking about the basic costs of having a horse in training, and choosing a trainer to go to, owners will be particularly interested in what trainers charge per day. The daily rate averages in 2010 worked out at **£43** for a Flat horse and **£37** for a Jumps horse. Variations by size of trainer are given below and it can be noted that these are more pronounced for Flat trainers:

	FLAT	JUMPS
‘Big’ trainers	£54	£42
‘Middle tier’ trainers	£45	£36
‘Small’ trainers	£35	£35

For the Flat trainers in our sample, 5 out of 45 were charging £60 or more a day in 2010, with the highest nearly £75 a day. The average daily rate charged by the ‘Big’ Jumps trainers is notably lower than for the Flat , the highest being £50 per day.

5. There are also marked regional variations in total training costs. For the two codes combined, Newmarket (exclusively Flat horses in our sample) and the Lambourn area emerge as the most expensive places to have your horse trained at £20,307 and £16,749 respectively. Yorkshire came out 3rd at a notably lower £12,999 and the rest of the North and Scotland lowest at £10,436.

Looking just at Flat horses, the average cost of having a Flat horse trained in Newmarket (£20,307) is three fifths higher than the £12,496 average cost for the north of England.

The West of England is a bit of a ‘power base’ for training Jumps horses and here the average training costs for a Jumps horse work out at £12,643, 2nd to the Lambourn area at £13,579.

It should be remembered that in Newmarket a lot of our designated ‘Big’ Flat trainers are based and this will be reflected in the higher costs of having a horse trained there. Furthermore, average training costs quoted here for individual regions need to be treated with some caution, due to the relatively small sample sizes involved.

6. A full breakdown of the average costs of owning and running a racehorse is included amongst the data tables. Here we show the various elements grouped into five broad categories:

	FLAT	JUMPS
	£	£
Training costs	14,702	11,284
Racing costs	3,590	2,813
Vet/physio/dentist	1,075	1,001
Weatherbys/BHA	259	268

Pre/Out of training	638	762
TOTAL	20,264	16,128

This data demonstrates the higher training costs associated with having a Flat horse. The higher racing costs for Flat horses is though simply a reflection of the more times, on average, Flat horses run.

7. We can make a direct cost comparison between the 2007 and 2010 surveys by looking at the daily training rates of trainers who were represented in both surveys (21 for Flat trainers and 13 for Jumps trainers). This shows that on a like for like basis training fees have increased by 9.06% (2.9% pa) for Flat trainers and 7.35% (2.4% pa) for Jumps trainers.

8. Finally, one minor point. 81% of the owners represented in our survey had a training agreement in place with one or more of their trainers.

IRM/ March 2012