

## Rules for Returning the SP

As of 1 May 2022, the SP is based on the betting shows of a sample of betting operators operating in Great Britain who constitute a significant share of the overall market and meet the SPRC's qualifying criteria as a price source.

The SPRC will monitor the effectiveness of this process on an ongoing basis. Regular meetings of the SPRC's Technical Sub-Committee will review whether the process can be refined or improved to better reflect the off-course betting market and return the fairest possible SP.

### Price Source Provider – Qualifying Criteria

Bookmakers considered for inclusion in the SP sample must fulfil the below criteria:

- Prices must be available to customers in Great Britain.
- Prices must be offered with each-way terms.
- Any participating bookmaker must undertake to provide a robust connection to the Press Association's (PA) API to facilitate data delivery.
- Each bookmaker must provide an independently priced feed and not recycle the PA's live show price.
- Where more than one participating bookmaker is in the same ownership group a maximum of one feed per group will be considered, unless there is compelling evidence prices are independently controlled and competing.
- Any price source provider must reasonably be expected to constitute a minimum of 1.5% of the total betting market for British horse racing. The SPRC will assess whether any new price source meets the minimum criteria using publicly available data.

### Principles of the Starting Price (SP) Procedure

1. The starting price for each horse is the market price at the off, offered by selected bookmakers in a sample whose each-way terms for a given race most closely reflect the each-way terms offered to customers in the betting rules of a majority of off-course bookmakers. These rules are referred to below as "customary terms".
2. For each horse in a race the prices on offer by all bookmakers in the sample are ordered into a list from longest to shortest. The list is then divided into two equal halves and the SP is the shortest odds available in the half containing the longest odds. The SP or a longer price will have been offered by at least half the bookmakers in the sample.

### 3. Selecting a Sample

There is no maximum sample size. The sample will be as large as possible in accordance with the procedure below. The sample will be an even number wherever practically possible in accordance with established procedures.

a) Where all suitable bookmakers are betting to customary each way terms

The SP validator will have discretion to include as many bookmakers in the sample as possible, in accordance with the procedure detailed above.

b) Where a majority of suitable bookmakers are betting either to customary each way terms, an enhanced fraction or one additional place

Where some bookmakers are betting to non-customary each way terms, the sample will prioritise those betting to customary terms. The sample can then be topped up as far as possible with any bookmakers offering either an enhanced fraction or a single additional place.

c) Where a majority of suitable bookmakers are offering **more** than one additional place

In instances where the majority of suitable bookmakers are offering each-way terms which are enhanced by more than one place, the sample will be determined by calculating the median number of places being offered by those selected bookmakers, eligible to be sampled, and sampling the prices of every bookmaker offering that same number of places as the median, or fewer.

For example, if 10 bookmakers are eligible for inclusion in the sample and their each way terms for a 40 runner handicap were:

- 1/4 – four places
- 1/5 – five places
- 1/5 – five places
- 1/4 – five places
- 1/5 – six places
- 1/5 – six places
- 1/5 – six places
- 1/5 – six places
- 1/5 – seven places
- 1/5 – eight places



The median offering would be 1/5 odds, 6 places. Any bookmaker betting to those terms would be included in the sample, as would those offering 1/5 five places, 1/4 five place and 1/4 four places.

If in an even numbered sample of bookmakers, there is a discrepancy at the median point between the terms offered by the two bookmakers either side of

the median point, the sample should include both of those bookmakers and every other sampled bookmaker betting to these or less generous each way terms, for example:

- 1/4 – four places
- 1/5 – five places
- 1/5 – five places
- 1/4 – five places
- 1/4 – five places
- 1/5 – six places
- 1/5 – six places
- 1/5 – seven places
- 1/5 – seven places
- 1/5 – eight places

SAMPLED SELECTION

The median offering would be 1/5 odds, six places. Any bookmaker betting to those terms would be included in the sample, as would those offering 1/4 five places, 1/5 five places and 1/4 four places.

It is not envisaged that any bookmaker can or will offer each way terms less favourable than those detailed in their betting rules. The SPRC is not aware of any bookmaker which offers horse race betting and applies each way terms less favourable than those detailed below ('customary terms').

4. No SP will be returned if for any reason a sample of prices from 3 bookmakers cannot be achieved.
5. Any bookmaker whose feed of prices appears to the SP validator to precisely mirror the PA's live show feed (i.e. which appears to be 'recycling' the composite live price feed) will be excluded from the sample.

### Customary Each-Way Terms

RACE TYPE & NUMBER OF RUNNERS	FRACTION OF WIN ODDS	PLACES
All races with less than 5 runners	n/a	No places offered
All races with 5,6 or 7 runners	1/4	1st & 2nd
All races with 8 or more runners except those listed below in this table	1/5	1st, 2nd & 3rd
Handicaps, Nursery and Rated Stakes Handicap races with 12 to 15 runners	1/4	1st, 2nd & 3rd
Handicaps, Nursery and Rated Stakes Handicap races with 16 or more runners	1/4	1st, 2nd , 3rd & 4th