

**INDEPENDENT REVIEW OF
THE GREYHOUND INDUSTRY
IN GREAT BRITAIN**

A REPORT BY

LORD DONOUGHUE OF ASHTON

FOR

THE BRITISH GREYHOUND RACING BOARD

AND

THE NATIONAL GREYHOUND RACING CLUB

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REVIEW OF THE GREYHOUND INDUSTRY IN GREAT BRITAIN

LIST OF CONTENTS

Chairman’s Preface	5
PART I: The Greyhound Industry and Issues Affecting its Regulation	
1 Background Profile of Greyhound Racing in Britain	9
2 The Bookmakers’ Afternoon Greyhound Service (BAGS)	19
PART II: Present Governance and Regulation of British Greyhound Racing	
3 The British Greyhound Racing Board	24
4 The National Greyhound Racing Club and Regulation	29
5 Performance of the National Greyhound Racing Club	34
6 Independence and Accountability of the Regulator	40
7 The British Greyhound Racing Fund	46
8 Regulation: Self or Statutory Regulation?	49
PART III: A New Body to Govern, Finance and Regulate Greyhound Racing	
9 The Proposed Greyhound Board of Great Britain.	54
10 The Financing of Greyhound Racing in Britain	70
PART IV: Issues Relating to the New Greyhound Regulator	
11 Regulation and the Animal Welfare Act 2006.	87
12 Independent Greyhound Racing Tracks	101
13 Breeding, Over-Supply, Monitoring and Retirement of Greyhounds	111

14	Information Technology	117
15	The Role of Veterinary Surgeons in Greyhound Regulation	123

PART V: Transition to the new Greyhound Board of Great Britain.

16	Transitional Arrangements	135
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Appendices

Appendix 1	Terms of Reference	141
Appendix 2	Summary of Recommendations	142
Appendix 3	List of Persons & Organisations Who Submitted Written and/or Oral Evidence	146
Appendix 4	Glossary of Abbreviations	149

REVIEW INTO THE REGULATION OF GREYHOUND RACING

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CHAIRMAN'S PREFACE

I have been a life-long lover of sports, a spectator of many and a modest participant in several. The governance and regulation of sport has also been a particular interest of mine since I was a member of the original Sports Council in the 1960s. I have subsequently followed that interest when serving, before undertaking this Review, on four Enquiries into various aspects of association football and horse racing. But I must confess that prior to this present exercise I had not closely followed greyhound racing - and previously last attended a greyhound meeting at a small Northamptonshire track shortly after the Second World War, acting as a youthful assistant to a dubious bookmaker.

This was a failing on my part which I now deeply regret. Greyhound racing is a wonderful sport which gives huge pleasure to owners, trainers, spectators, punters and dogs alike. Sadly, it has for some decades been in decline as a spectator sport - though not as a betting medium. However, it still ranks as Britain's third largest spectator sport and this year will generate some £2.5 billions of off-course betting turnover. Greyhound racing is of considerable sporting and social consequence and deserves to thrive. The reforms proposed in this Review are discussed with that ultimate objective of renewal and future prosperity in mind.

The main remit in the terms of reference of this Review focuses on the regulation of greyhound racing. That remained our central concern throughout our considerations. However, it soon became evident that it was not possible to analyse regulation of the sport without reflecting on the complex web of inter-related functions which influence the working and efficiency of greyhound regulation: especially governance, finance, integrity and animal welfare. The latter issue of welfare is, of course, a major feature in most discussion, public and private, of British greyhound racing. Parliament, the government, the media and the general public are not convinced that the priorities of dog welfare are yet fully met by the industry as presently conducted.

Welfare has inevitably been a major concern of our discussions, especially in the context of the recent Animal Welfare legislation. We give due prominence to it in our Report and suggest a number of ways in which greyhound welfare

could be improved. It should, however, be stressed that our findings are not solely, nor primarily about welfare. This Review concerns greyhound regulation and all the key issues, including welfare, which relate to regulation.

Our Review is strongly evidence-based. We received written and verbal evidence from all sides of the industry. Greyhound racing proved more complex (and this work therefore more time-consuming) than I had anticipated, though it was commensurately more fascinating. In total, some 60 witnesses contributed to our considerations, as listed at the end of this Report, and I wish to thank them all for so doing. Rarely did they agree with one another on any aspect of the sport, but they provided us with strongly presented arguments for the positions we have chosen to take and the recommendations which we have made.

The Review proposes a list of key recommendations for change in the conduct of greyhound racing. At their heart is our suggestion for a new unified governing and regulatory authority: the Greyhound Board of Great Britain (GBGB). It would contain a strong independent presence with no sectional interest having a majority control. Within the GBGB would be incorporated the functions and responsibilities of the present British Greyhound Racing Board and the National Greyhound Racing Club. This proposed integration should enable the new Regulator to have the maximum regulatory independence compatible with the Regulator's necessary accountability to the industry which finances it and which it serves. Such a carefully balanced governing and regulatory body will, hopefully, be able to function constructively in the interests of the whole sport and without the mutual hostilities and recriminations which have hitherto sadly characterised and often damaged the governance and regulation of British greyhound racing.

The Review's conclusions are closely inter-related. Its recommendations should not be 'cherry-picked', with particular interests choosing those which suit them and seeking to reject the rest. If that is done, then the closely-argued fabric will fall apart and everyone will be the loser.

I recognise that not everything we say and recommend will be popular with everybody involved in the industry. Our recommendations are in some areas radical. Inevitably they will touch upon the sectional interests and might change the traditional habits of some stakeholder parties. I do not apologise for that. Our concern is to modernise this great British sport so that it can compete more successfully in the wider leisure industry and so enjoy a more prosperous and welfare-friendly future. Each sectional interest will gain more than it loses from adopting these proposed reforms. Certainly all will collectively benefit if the new regime which we propose helps to produce in the future a more prosperous industry. Greyhound racing as a whole is bigger than any of the particular sectional interests within it, important though each of them undoubtedly is.

Finally, one of the many pleasures which I have derived from conducting this Review has been working with such a friendly and dedicated team: my Assistant, Patrick Nixon; Clarissa Baldwin, the Chief Executive of the welfare charity Dogs Trust; Jim Cremin, Greyhound Editor of the Racing Post; and Jim Donnelley, Director of Racing and Sports Betting at the Press Association. We held 43 meetings, most for half days, some for full days, and I wish to thank them for their support and patience over this long journey together. Each of them knows far more about greyhound racing and the betting industry associated with it than I can ever aspire to learn. Without their collective knowledge, experience and judgment, this Report would not have been written and certainly would not have such virtues as it may contain.

Bernard Donoughue

27th November 2007

PART 1

**THE GREYHOUND INDUSTRY
AND
ISSUES AFFECTING ITS REGULATION**

Chapter 1

THE GREYHOUND INDUSTRY AND ISSUES AFFECTING ITS REGULATION

Background Profile of Greyhound Racing in Britain

Greyhound racing was launched on a commercial basis in the UK by the Greyhound Racing Association on 24th July 1926 at Belle Vue, Manchester. The sport enjoyed immediate popularity and grew rapidly, to the extent that, in December 1927, some 28 racecourse promoters met (at Wembley Stadium) to consider the establishment of a national control organisation. It was agreed to establish a Greyhound Club “somewhat along the lines of the Jockey Club” and National Greyhound Racing Club was thus formed in January 1928 with the first set of Rules of Racing published in April of the same year.

Greyhound racing went on to enjoy its heyday in the immediate pre and post Second World War years. It has suffered steady decline in recent decades and is now, perhaps unfairly, not always seen as a major national sport. Outside of the specialist and trade channels, the media coverage of greyhound racing is surprisingly limited. In some ways it exhibits the engaging features of a cottage industry, conducted by and for enthusiasts and bookmakers - though the pleasures it can give deserve to go much wider than that. Historically, it has enjoyed a ‘colourful’ image, with rumours of ‘dodgy’ practices, which is part of its attraction to many of us.

The statistics of the sport’s decline are not always easy to obtain and verify (ours were provided by track Promoters, the British Greyhound Racing Board and the National Greyhound Racing Club). The number of licensed greyhound racecourses has fallen significantly, more than halving from 64 in 1960, though recently steady to the present 30, with the recent reopening of Hull. The number of independent tracks has slumped even more sharply, down from 87 in 1960 to some 14 now - and more than halving in the past 10 years. Those figures may soon be affected still further by current welfare legislation, with its imposition of the costs of rising welfare standards. Some independent tracks may be forced out of business; other independents may upgrade and cross the line to join the licensed ranks.

Licensed meetings have not declined so radically, down from 6,787 in 1960 to 5,999 in 2006, the expansion in BAGS racing to some 21,000 fixtures in 2007, rising to over 26,000 in 2008, or nearly one third of all racing, explains this resilience. Some tracks race up to half a dozen times a week throughout the year and greyhound racing is on offer somewhere in the UK from morn till night. This proliferation of racing taxes the resources of nearly 500 full-time professional trainers (there are twice as many more registered who are not full-

time) for whom the formal financial rewards are not impressive and allegedly declining in real terms.

Attendances

NGRC course attendances have thinned relentlessly for decades and presently average only about 600 spectators per licensed fixture (compared to over 2000 in 1960), with often barely a hundred people watching daytime meetings organised under BAGS, and the independent tracks average below 200 per meeting. Top attendance in 2007 so far has been 5000 at the Wimbledon Derby. In the post-war glory days crowds of 20,000 were common. Total attendances in 2006 were 3.2 million, down from 3.9 million in 2001 and from over 15 million in 1960. But 3 million is not an insignificant attendance figure. Greyhound racing still can claim to be one of the larger spectator sports in the UK. (League Football is a clear number one with over 13 million attending Premier League matches alone in 2006/07 and horse racing is second with 5.86 million in 2006, while greyhound racing is third). This 2007 season hopes to show the first attendance increase this decade (suggested by the Board as rising to 3.4 million).

We have received evidence which suggests a link between attendance and the quality of facilities. Some British greyhound stadia are disappointingly shabby - especially in comparison to the best in Ireland. But those tracks such as Yarmouth and Peterborough, which have recently invested in new grandstand and restaurant facilities are showing positive returns. Yarmouth enjoyed a 52% increase in attendances over the first few months of this year. The sport's decline might surely be halted and even reversed by modern management, increased investment and marketing skills.

The Betting Industry

Television coverage, both on domestic TV and especially to bookmakers' shops, has developed and has increased further since the advent of evening opening for bookmakers in September 2007. Therefore the public following of greyhound racing, while showing greatly reduced physical presence of spectators at tracks, has moved and widened from the stadia to the screens. In many ways greyhound racing has become more of an off-course betting medium and less of a spectator sport.

Bookmakers are major players in the British greyhound industry, both as owners of 6 tracks and as customers for the race betting product. The revenue of on-course and primarily off-course bookmakers is difficult to calculate because the reporting of specific product-related off-course betting figures is not required either by statute or other commercial arrangement. This difficulty of measurement has been accentuated by the 2001 switch from basing general betting duty on turnover to a gross profits mechanism. However, the best

figures available suggest that off-course betting turnover has risen strongly, from some £1.3 billion in 2000 to an estimated £2.5 billion in this year 2007. Half of the tracks generate over 90% of the betting turnover, while 13 smaller tracks provide only 3%.

Bookmakers make a significant financial contribution to the sport. Some, including the major ones, make a voluntary contribution of 0.6% of their relevant turnover to the industry's British Greyhound Racing Fund (BGRF). This contribution rose dramatically from £3.8 million in 2000 to around £11.5 million in 2006. It provides the funds for the annual BGRF budget and has primarily financed the greatly increased central expenditure on greyhound welfare in recent years, led since 2004 by the British Greyhound Racing Board chairman Lord Lipsey. In addition, the bookmakers now pay £18 million directly to 18 racecourses for the television transmission of BAGS races to their shops¹. Without their contributions, British greyhound racing would be in a dire financial plight.

It should also be noted that the bookmakers have a strong commercial interest in ensuring that greyhound racing must, for betting reasons, maintain good standards of racing integrity and, for their own image reasons, should have high welfare standards. They can exercise a positive influence in both respects at the 6 tracks which they own and through the valuable BAGS contracts which they offer to other private promoters. The bookmakers contribute the largest sums directed to welfare and they stated to this Review their willingness to support greater expenditure on welfare providing the financial channels handling the money are transparent and accountable.

Registrations

One striking industry statistic is the number of greyhounds registered for racing. Over 10,000 new greyhounds were registered to race at licensed British tracks in 2006, having been up to nearly 12,000 in 2004. Up to 4000 dogs race at independent tracks, according to the recent report of the Associate Parliamentary Group on Animal Welfare (APGAW). During one week in August 2006 there were 8,664 greyhounds running in 1,444 races (one third of them under BAGS). To some extent this large number may reflect an enthusiastic interest in owning and training greyhounds - which would be quite remarkable to anyone from horse racing when seeing the low level of British greyhound racing prize money. Total prize money has actually risen by over 60% this decade. But it is spread over many more races and the average prize money per race is still only £220, with the top prize at an average track around £100, which does not give owners and trainers much return. For many, their satisfaction is derived from the sport. The pleasure exhibited by participating

¹ The apparent synergy between the payment and the number of tracks is coincidental; payments are based on fixtures.

dogs, owners and trainers in the racing is one of the many delights derived from attending greyhound racing.

However, the main reason for the high numbers of dogs participating in greyhound racing is more likely to be the high bookmaker demand for betting product. This is coupled with the over-supply of young dogs, especially from Ireland, the source of some three quarters of all hounds racing in Britain, with some 8000 dogs imported annually during recent years. Ireland breeds over 20,000 greyhounds per year, as many as are bred in the whole of the United States.

Actually, the statistics suggest that personal ownership of racing greyhounds in Britain is becoming less attractive, especially for routine BAGS racing. With BAGS, the track trainers increasingly take on ownership themselves in order to maintain their necessary number of greyhounds available for racing at their contracted tracks. It was stated to us by the Federation of British Greyhound Owners that as many as 70% of racing dogs are now trainer-owned, compared to only 20% a decade ago. Even at more popular evening meetings the figure of those greyhounds which are trainer-owned has apparently risen to a third. There are currently around 12,000 registered owners, but the number of 'hobby' owners is in decline, allegedly influenced by the trend for costs - such as vets fees inflating 12% per annum - to rise more rapidly than prize money.

The high number of greyhounds being bred and raced to meet bookmakers' demands for betting product can create worrying welfare problems. The high volume of racing may mean that there is insufficient time between meetings and races to prepare and repair track surfaces or to diagnose injuries to hounds. Above all it has raised questions about how the dogs are treated or disposed once their racing careers end (often when as young as 3 or 4 and including those retired because of track injury). The 'wastage' rate is high. It is estimated that over 10,000 greyhounds leave British licensed racing each year, together with others from independent tracks. In addition are the dogs which from the beginning prove unsuited to racing. Together this constitutes a massive exodus of greyhounds, often with up to 10 years of their prospective lives remaining. Not all can be tended by their racing owners, trainer-owners or can currently be re-homed. It has been suggested to us (though numerical proof is lacking) that the trainer-owned dogs form a disproportionate part of those needing but often lacking re-homing. A significant number - so far not reliably quantified - are put down, not always humanely. Given the numbers of greyhounds retiring from racing each year, it seems unlikely that all can be re-homed and therefore some euthanasia may be inevitable, as is accepted in the NGRC Rule 18 as a last resort. But it is important that this be done professionally and humanely.

Very recently there seems to have been some decline in greyhound registrations. Imports from Ireland have fallen this past year as British prize

money proves a diminishing relative attraction. This is encouraging from the welfare aspect. Certainly, greyhound racing has to come fully to grips with the welfare issues relating to the high numbers of dogs being bred and disposed. Basically the industry must examine further how to provide lifetime care for more of the thousands of dogs which retire from racing each year and should seek to reduce the total numbers coming into the sport, possibly by regulating breeding and by prolonging the careers of the current racing population. This issue is further discussed in Chapter 13 below.

Greyhound Welfare

Although the welfare dimension relating to the use and disposal of thousands of greyhounds each year has been an issue for some time, it has recently attracted significant negative publicity and is therefore of great concern to whoever governs and regulates the sport in future. The standards whereby dogs are used and disposed are the focus of increasing public, political, professional, media and charity scrutiny, as illustrated by the recent APGAW report.

At root in the growing welfare debate is a fundamental difference of approach to animals in our society. On one side are those, such as the welfare lobby, but going far beyond them among the wider public, who view the greyhounds and many other animals as sentient beings (like humans but clearly nicer) to be treated humanely and where possible sustained throughout happy and healthy lives. On another side (though there is much grey area in between), are those, often earlier related to rural life and agriculture, who will treat their animals well but view them primarily as commodities for commercial exploitation and to be disposed of economically and humanely once their commercial use is over. (Greyhounds, unlike many farm cattle, have little post-disposal food or product value). The former welfare group view racing greyhounds basically as pets who run for a short period of their lives and who should be cared for properly afterwards. The latter group sees the dogs as a sporting commodity whose commercial use is concluded once their racing days are over - although this does not mean that many will not keep and treat their dogs with good care afterwards. These two views are sometimes hard to reconcile in the industry. But the welfare view is increasingly influential in Britain, with the public, the media, Parliament and the government. In fact, to this Review many of the sport's commercial stakeholders expressed sympathy to the welfare view and a willingness to spend more money on welfare. In Ireland, traditionally a more rural society, the welfare lobby is less vociferous and less influential, but there is evidence that welfare concerns are increasing as Ireland grows more prosperous and more urban middle class.

The scandals recently exposed at Seaham and Hinckley - and allegations of mass killings in Wales - revealed ethically unacceptable (though not always illegal) methods of greyhound disposal (though the Greyhound Trainers Association claimed to us that this reflects past history and not present

experience). Recent Animal Welfare legislation touches centrally upon such welfare standards and practices, with its crucial 'duty of care' obligations. This enabling Act and the secondary legislation which will follow in 2009 means that regulation of greyhound welfare will tighten anyway, regardless of the actions of the industry. Even should the sport remain self-regulated, as is discussed below (see Chapter 8), it will be so within an enhanced regulatory framework.

From greyhound racing's point of view, the main thrust of the 2006 Animal Welfare Act, to be implemented by 2009, is the 'duty of care' which makes the person in charge of an animal (eg a greyhound) responsible for it in relation to the specified 'needs': suitable environment, diet and housing; ability to express normal behaviour; and protection from pain, suffering, injury or disease. With greyhounds, the breeder, owner, trainer, track or veterinarian who is in charge of the dog at a particular relevant time would be the person deemed responsible for its care in the statutory respects. Supporting the Act will be secondary legislation which in turn will be supported by welfare Codes of Practice derived from the Greyhound Charter. The Codes themselves will probably not be made legally compulsory but any contravention may be taken as evidence in a court of law. The legislation is a radical move in the direction of welfare regulation which will provide a statutory framework within which the sport and its regulator will have to operate.

Many in greyhound racing, including the NGRC, the Board, some promoters and bookmakers, and especially the vets and the welfare lobby, have in their evidence to us shown that they share these welfare concerns and are anxious to respond to them. Others in the industry may not be fully aware of and sensitive to the strength of the welfare momentum. Some may perhaps be aware but are troubled by meeting the costs of rising welfare regulation. In our view the sport has no alternative other than to raise those standards and regulate accordingly. It must pay the costs of welfare regulation or suffer increasing criticism. The industry might then be initially a little smaller, at least temporarily, with fewer marginal tracks. But it would surely be healthier, economically and morally, in the longer term.

Greyhound welfare has not always in the past been handled satisfactorily by the industry and its ruling bodies. But the recent new regimes at the BGRB and the NGRC have lately made commendable progress - which is not always acknowledged by some critics in the welfare lobby. How welfare is handled in the future will be a major challenge to whoever is conducting the regulation and governance of the sport. Clearly veterinary surgeons should play a greater role in achieving enhanced welfare standards (proposals for that are discussed later in this Report (see Chapter 15)). This welfare dimension is so closely related to our regulation remit that below some space is devoted to suggestions for the urgent future agenda of greyhound racing's future regulatory arm (see Chapter 9).

An Overview

Overall, the profile of the British greyhound industry which presents itself to our Review is a mixed one. Welfare concerns represent a potential commercial threat unless properly addressed. There has also been long term commercial decline, though with some recent financial stabilisation based mainly on the betting input. There would be some grounds for commercial optimism if the industry felt able to invest more in becoming a modern leisure industry. An evening meeting at a modern stadium with good competitive racing and excellent dining facilities can provide fine family entertainment and great satisfaction for spectators, owners and trainers. But part of the focus of the sport has switched from providing spectator enjoyment to providing product for punters elsewhere. A wet Monday afternoon BAGS meeting with few spectators or bookmakers is not always an exciting experience.

Those familiar with the recent modernisation of the rest of the British sporting and leisure industry are struck by how, in comparison, greyhound racing appears at times to be stuck in a different time warp. It can offer a touching reminder of earlier - and especially working class - sports from the post war decades before most of our leisure industry (now belatedly including even conservative horse racing) decided to modernise. As one of our expert assessors commented, *'our pubs do not now look, smell and feel like they did 30 years ago - yet many of our greyhound tracks depressingly do feel just like that'*. That feeling may be nicely nostalgic as well as depressing, but it is not necessarily a formula for future commercial success.

Whether the sport can revive and progress as a major spectator sport is, given current social and economic trends, unclear to an outside observer and reviewer. To make such progress it must adjust to accommodate those trends. But the pleasure of participants and spectators which we have witnessed suggests that there is hope. More investment in changing the sport into a modern well-regulated leisure industry might achieve a great deal, as has been demonstrated at those few tracks which have invested in modern facilities. Increased attendances would not only improve the track atmosphere but would also result in increased Tote turnover with benefits to the owning stadia. Tote turnover slipped from £91.9 million in 2001 to £82.5 million in 2005, at least partially attributable to a fall of 5 in the number of tracks. However, since evening opening of betting shops became legal on 1st September 2007, there is exciting potential for increasing income as the word spreads and the new betting opportunities attract more off-track customers. Whether the present industry entrepreneurs feel that major investment is worthwhile, or if they prefer to wait for planning permission to sell out to a supermarket developer as the more profitable short term outcome, is hard to gauge. (Six leading tracks were recently put up for sale). But the better run stadia - such as Yarmouth and Peterborough among the smaller tracks - offer a promising model and Wimbledon on Derby night is impressive.

Ireland

These commendable British examples (and many Irish tracks) demonstrate that the modern public, including its affluent young men and women, will attend and enjoy greyhound racing if it is promoted in an attractive and welfare-friendly environment. Our brief and highly pleasurable sightings of Irish greyhound racing showed their industry flourishing more prosperously than its British equivalent. Shelbourne Park and Cork are far more impressive than any track in Britain and it is claimed that they are not alone and that the average Irish racecourse is better in terms of facilities for spectators, trainers, vets and dogs. Attendance levels, the quality of racing and especially the levels of prize money are strikingly higher - as are the proportion of young women present and, predictably, the degree and volume of enjoyment exhibited by the crowds. In the past decade, attendances at Irish tracks rose 94% to 1.33 million, prize money rose 400% to €12 million, Tote turnover jumped 65% to €50.5 million and on-course bookmaking turnover rose 320% to €93.2 million. These dramatic improvements undoubtedly reflect the fact that in those 10 years over €90 million were invested in the sport's facilities by the Irish Greyhound Board (Bord na gCon). There are no unlicensed tracks in Ireland and no tracks served only by contracted trainers. Personal ownership of dogs is more extensive. It is claimed that one in six Irish adults attends a greyhound meeting at least once a year. That would be a marvellous, if currently remote, ambition for the British industry. The Irish Board's current forward business plan makes its British equivalent seem unambitious and financially deprived by comparison. Some might note the benefits of selective state intervention and fear the impact on British horse-racing were the statutory levy to be withdrawn.

However the successful Irish model is not one which our British industry could easily follow - other than in its broad aspiration to give the public a good evening out. Irish greyhound racing is based on strong state involvement and generous state funding. The governing Irish Greyhound Board is a semi-state commercial body. It was established by government in 1958 under The Greyhound Racing Act which gives the Board powers to regulate all aspects of Irish greyhound racing, including licensing, permits and monitoring their Rules of Racing. The Board itself owns 9 of the 17 licensed tracks, which offers it great leverage over the standards operated by its own management and to set an example to the private operators. The Board also operates Tote facilities at all tracks and applies an on-course levy on all bookmakers' betting. This enables the Board to supplement prize money to generous levels beyond those in Britain and also to provide grants and loans for improving stadia and track facilities and to market the sport effectively. Underpinning this is the Horse and Greyhound Act (2000), through which it was established that 20% of all racing subsidy would be made available to the greyhound industry, thus providing substantial finance for the industry, allowing it to invest with long term confidence. (Act to be reviewed by the Irish government during 2008).

Of course not every aspect of Irish greyhound racing is golden. Its racing integrity is viewed with a degree of suspicion by its bookmakers (who prefer to take televised racing from British BAGS meetings where the integrity is reasonably assured) and its application of welfare standards is often behind those in Britain - the wealthy Irish Board spends far less on welfare than does the British Board, though it has plans for increases. Some of these differences relating to integrity and welfare perhaps reflect differences in approach between the two national industries. Irish greyhound racing conveys the impression that its broad approach is based on consistently trying to protect and encourage owners and trainers (who may welcome a light touch in welfare and integrity regulation). The approach of the British industry is probably shaped more by a desire to encourage betting punters and to hold the welfare lobby at bay.

Irish greyhound racing is strongly inter-related to that in Britain, which is why we have touched upon it here. It supplies three quarters of our racing greyhounds and the welfare issues of over-breeding, tracing and re-homing greyhounds common to the two countries will require close cooperation between the British and Irish greyhound authorities. The flourishing Irish model might create envy in Britain. But there is little prospect of its style of statutory regulation and finance being copied here in the near future, given the climate of hostility within the British government to having more state intervention in our sport. The Irish experience is valuable to observe because it demonstrates that well managed greyhound racing offering excellent facilities can attract a large modern audience and enjoy prosperity. However, British greyhound racing will have to develop its own wholly commercial model to try to produce a similarly successful leisure industry. One consequence of having a more modern, successful and profitable British greyhound industry would be that there should be more funds available to pay for the better regulation which this Review seeks.

Conclusion

Most of the broad aspects of modern British greyhound racing mentioned in the above brief general profile, and in the specific analysis and recommendations below, relate directly or indirectly to the regulation of the sport. Confidence in the integrity of the actual racing, and therefore in the huge betting on that racing, depends on the sporting integrity which good regulation secures. Equally, the high welfare standards which today's society demands can only be ensured by strict regulatory procedures - by the rules, licensing, inspection, enquiry and enforcement which an efficient and well resourced modern regulator implements. Without good regulation the sport cannot remain healthy and would suffer ever greater criticism. Good regulation must be at the heart of a successful British greyhound racing industry.

Our main remit in this Review is to consider the present regulation of

greyhound racing and to make recommendations for improvement. Our Terms of Reference are at Appendix 1 but in principle were:

“To review the current and future regulation of greyhound racing and to make recommendations as to what changes are needed in respect of regulation at the NGRC and elsewhere.”

That remit is not as limited as it may at first sound. Because regulation inter-relates with so many other key aspects of the sport, it does not exist in a separate ring-fenced state which can be examined briefly within strictly limited boundaries. Hence our terms of reference conclude with a helpful sentence:

“There shall be no impediment to the Chairman commenting on other matters relevant to regulation issues.”

Our Review therefore necessarily extends, as has the above introductory profile, into other related aspects of this sport. Based on the substantial evidence presented to it by a comprehensive range of witnesses from throughout the industry, it will look below at the British Greyhound Racing Board and at the British Greyhound Racing Fund as well as primarily at the National Greyhound Racing Club because each, to differing degrees, has an influence on how greyhound regulation is resourced and conducted in this country. Appropriate regulation is at greyhound racing’s core. This Review attempts to assist greyhound regulation to progress towards a position where it can most actively further the health of this sport as a major British leisure industry.

Chapter 2

THE BOOKMAKERS' AFTERNOON GREYHOUND SERVICE (BAGS)

Introduction

In the early days of off-course cash betting, sometime before 1967, there was a feeling among certain bookmakers that it would be useful if betting shops had an alternative product to offer their customers on those days during the winter months when horse racing was abandoned. On 8th September 1967, the Bookmakers' Afternoon Greyhound Service, now universally known as BAGS, was incorporated as a betting industry body which would, indeed, pay greyhound tracks to put on meetings on afternoons when the horseracing was cancelled because of bad weather.

In those days there were just 4 tracks on BAGS, of which Oxford is the only current survivor, but from that modest start, BAGS racing has grown to the extent that there are now substantially more greyhound races than horseraces broadcast into the betting shops of the United Kingdom and the Republic of Ireland.

The Service grew steadily during its first years but the first main engine of major growth was the arrival of Satellite Information Services Ltd in May 1987 and with it the transmission of live pictures into the licensed betting office (LBO) estate. By 1992 the number of tracks contracted to BAGS had risen from about 6 or 7 pre-1987 to 12. A further impetus was given to the service during the foot and mouth disease outbreak in 2001 when additional product was required to replace horseracing and, by 2002, the number of tracks on BAGS had risen to 16 and, in 2007, stands at 18.

BAGS racing is transmitted daily from 6 or 7 tracks (4 on Sundays) and, in 2006, 20,817 races were run on the BAGS fixture list; there will be further expansion next year when, following the legalisation of year round evening opening, further meetings are planned staging over 26,000 races.

As is evident from this brief history, BAGS has developed enormously from its beginnings as a "filler" on a wet winter's afternoon to a key element of the products offered in virtually every betting shop. It is thus crucial to the betting industry as a whole, and therefore to this Review, because, as is explained below, not only does BAGS racing generate almost all the off-track betting income to licensed greyhound racing, it also necessarily requires very large numbers of greyhounds to make the programme work.

This consistently high demand for greyhounds must be met by a ready supply and this imperative raises issues of its own. As we discuss elsewhere in our Report, the number of greyhounds bred in Great Britain is possibly no more

than about 3000; annual turnover of greyhounds entering and leaving the sport is variously estimated but is in the order of 10,000. Thus it is clear that many thousands of greyhounds must be imported each year, of which nearly all come from Ireland. The scale of BAGS racing, therefore, has always been a major cause of concern to the Welfare Groups in terms of the potential for the overproduction of greyhounds, the consequent wastage of those that do not make the grade and the challenge of re-homing those that do make the grade but retire from licensed racing every year.

A particular concern of the welfare lobby is their belief that, because trainers employed to fulfill BAGS contracts have to deliver a large stream of runners, they must, of necessity, acquire the required numbers of greyhounds themselves in order to meet their contracted commitment to the track. They thus become owner/trainers because there are not sufficient private owners in the sport to meet the demand. This “mass production” racing is alleged not to be accompanied by the necessary care for the re-homing of dogs once their racing careers come to an end.

However, the BAGS contribution to these issues needs to be placed in context. BAGS racing accounts for about 1/3rd of all greyhound races run under Rules in Great Britain; thus 2/3^{rds} of the races run are not under BAGS contracts.

But the conundrum is there for all to see: the more BAGS racing there is, the greater the income to those tracks directly involved and to licensed greyhound racing in general through access to the correspondingly increased resources of the BGRF; but the greater number of greyhounds required by an expanding programme means that more resources will be required to ensure their welfare standards are maintained both during their racing careers and in their subsequent retirement.

Of course, the equation is not perfect and some of the increased demand may be met not solely by acquiring more greyhounds but also by running some greyhounds more often, although that option is also problematic in welfare terms if abused, and possibly by the better option of extending their racing careers. Nevertheless, the welfare dimension to BAGS exists and cannot be ignored.

Who is Involved?

BAGS is, in essence, a consortium of bookmakers which arranges for the provision of greyhound racing, mainly but no longer exclusively in the afternoons, the main purpose of which is to provide a betting product in the LBO estate in the United Kingdom and the Republic of Ireland. The live transmissions are carried into the shops by SIS and integrated with the horseracing programme of the day, as well as with other betting opportunities such as 49s and virtual racing (horse and greyhound).

As noted above, there are currently 18 out of the 30 NGRC licensed tracks which are contracted to BAGS. Of these, 4 are operated by the Greyhound Racing Association (GRA), 2 by Stadia UK Ltd, and 2 each by Coral, Ladbrokes and William Hill. The remaining 6, including the largest, Walthamstow, are run by independent, sometimes family, operators. Contracts are let for periods of up to 5 years following an invitation to tender issued by BAGS; it is open to all NGRC licensed tracks to submit bids and, typically, about 22 or 23 do so. All applicants are subject to inspection by BAGS staff and must meet certain high standards in terms of facilities, track conditions, kennelling and welfare provision before being selected and awarded a contract. Regular inspections during the course of the contract are carried out and any failure to maintain the required standard can, and does, result in the contract for that particular track being terminated.

The relationship between greyhound racing, BAGS and the betting industry, therefore, is that of service provider and service purchaser, with the betting industry itself as the service user. It is thus a customer of greyhound racing rather than a stakeholder in the sport.

We have received evidence which states that the betting industry owns “a substantial proportion of the tracks which stage BAGS racing” and that the betting industry is in a position to decide which tracks receive contracts and how much will be paid. The three major bookmakers own 2 tracks each and, taken together, that amounts to one third of the total number of tracks on contract. Just over 50% of BAGS races are run on these 6 tracks. However, these companies are not actually “the betting industry”. They are in competition with each other and do not operate as a block. It can be expected that a company founded to commission greyhound racing for the betting shops should decide from whom it is going to purchase the product and for how much. It is open to all licensed track operators to bid for contracts and that there are always more who do so than there are contracts to let, suggests that the price offered is sufficiently attractive to those promoters who bid.

The Betting Market

Approximately 18% of off-course betting turnover is generated by greyhound racing and, of this, over 99% is generated by BAGS racing. The market at any greyhound race meeting operates in the same way as that on a horse racecourse with the SP being returned from the on-track betting ring. With some exceptions, BAGS afternoon meetings are poorly attended with few spectators and punters. The market at such meetings can thus be weak and readily influenced by comparatively small sums of money as there is little incentive for the bookmakers on track to compete with each other. As a consequence, BAGS racing has been criticised as being poor value for the betting shop punter. Yet, as in horseracing, the SP remains the preferred method of pricing

amongst punters; the alternative, which would be most likely based on company or industry generated SPs, would, we suspect, be viewed with even greater concern by the critics. It is interesting to note in passing that the betting exchange market on BAGS racing is vibrant and competitive.

The Contribution to Greyhound Racing

As noted above, over 99% of betting turnover on greyhound racing is on BAGS racing although, as we have already seen, such racing represents only 1/3rd of the total. It is on betting turnover that the voluntary greyhound levy is based and it is therefore self-evident that virtually all of the £11.5M paid into the British Greyhound Racing Fund is attributable to BAGS racing. Add to this the approximately £18M paid by the bookmakers through BAGS to the contracted tracks and it becomes clear that, were it not for BAGS, there would no longer be a sustainable licensed greyhound racing industry in Great Britain.

Although, like horseracing, there is a considerable local and social dimension to greyhound racing, the principle economic driver of the sport is off-track betting and the principle vehicle for off-track betting is BAGS racing. If BAGS were not there, the sport would probably run as the independents run now, because the resources to pay for the licensed structure would not exist.

The Association of British Bookmakers (ABB) has told us in evidence that some 40% of the BGRF's income of £11.5 million was this year earmarked for greyhound welfare. Whilst there may be a discussion about what heads of expenditure may be properly attributed to "welfare", the percentage is still significant. The ABB has also stated that, in their opinion, this figure could be increased out of the Fund's current level of income if it can be established, by us or others, that an improvement in regulation of the sport as a whole depended upon more expenditure in this area. Whilst accepting the proposition, also put to us by the ABB, that more rigorous enforcement of the Rules may be as, or more, important than simply increasing welfare funding, we believe that this Report has made that case.

We have heard in evidence that the integrity standards at BAGS meetings are of a very high order, indeed that they exceed the requirements of the Rules of Racing in some respects. We have also received evidence regarding the high standard of welfare provision at some of the larger tracks and observed it for ourselves at others. We therefore take the view that the leading tracks, including those with BAGS contracts, must recognise, individually and collectively, that they have a major responsibility for driving the welfare agenda across the licensed industry.

PART 2

PRESENT GOVERNANCE AND REGULATION

OF BRITISH GREYHOUND RACING

Chapter 3

THE BRITISH GREYHOUND RACING BOARD

Introduction

This Review is primarily concerned with the regulation of greyhound racing and so in many chapters below is particularly concerned with the work currently executed by and under the auspices of the National Greyhound Racing Club (NGRC). However, the other main institution in the sport's ruling structure, the British Greyhound Racing Board (BGRB), must also be introduced since it is the most powerful ruling body in the sport, has considerable influence on the shaping of greyhound regulation and, representing the racing operators and participants, is deeply concerned with the practical implementation and financial consequences of the sport's regulation.

The Board is not only an important part of the industry's present ruling structure, but is also seen by many witnesses as part of the present problems facing the industry. Furthermore, it will in future, collectively and through its individual members, also be a main player in any restructuring of the industry which may follow the publication of this Review.

The BGRB originated in 1979, within the senior NGRC, as a 'representative' forum for the commercial stakeholders in greyhound racing. Throughout the 1980s and early 1990s the two bodies were closely related, sharing premises and executive officers. In 1994 the Board's directors proposed a radical reorganisation which would delineate and elevate its powers, including its CEO having senior status over his Club equivalent. The Club saw this as diminishing its own position and really an assertion that the Board would be the supreme power running British greyhound racing. The Club rejected this assertion of power and so the Board unilaterally separated from it, adopting control over the commercial, political, marketing, public relations, finance and administration roles of the sport.

The Board became in most ways the sport's body of governance, though it never formally adopted the title of Governing Body. The Club certainly never conceded that the Board was the governing body. To this day (as in its recent evidence to the Associate Parliamentary Group on Animal Welfare) the Club describes the Board as merely a 'representative' forum, a description which the Board itself apparently accepts in its evidence to this Review. Consequently there is no formal and universally recognised 'governing' body in greyhound racing, though the Board effectively acts as such.

The Role and Responsibilities of the BGRB

The current composition of the Board is: an independent chairman; two independent directors; five promoter representatives; four from the owners, trainers and breeders; and the Senior Steward of the NGRC.

Their main responsibilities are:

- The greyhound industry's strategic plan; its racing, commercial and welfare policies; the annual budget.
- Providing a public relations and media service for the sport and operating political communications with ministers, departments and MPs.
- Representing the sport in its external relations with the public, with external stakeholders such as the bookmakers, and with the Greyhound Forum and the Gambling Commission.

In practice the Board has only limited detailed control over individual tracks and their commercial racing programmes - though the promoters of these tracks are strongly represented on the Board.

The BGRB normally employs some five full-time staff. These comprise: a General Secretary who (together with an Executive Assistant) manages the office, the Board budgets, financial and legal affairs and coordinates the development of industry policy and development; a Welfare Officer (assisted by a welfare consultant) who coordinates welfare policy, acts as secretary to the Welfare Committee and services the trade bodies of the breeders, owners and trainers; a Finance Manager; and a Policy Officer (currently vacant) to assist the General Secretary in developing strategic policy for the industry. The total cost of all staff and consultants when in post would be upwards of £350,000 per annum.

Since 1994, the Board has sought to expand its role and authority, assisted especially by the mounting revenues from bookmakers; income from the voluntary levy has increased from £1.6 million in 1994 to £11.5 million in 2006. The Board has extended its influence into some regulatory areas which are of practical concern to the promoters but which the Club considers to be its own territory. It has for instance recently taken great interest in greyhound welfare and has dramatically increased its expenditure in that area. It takes a close - and according to the Club a sometimes negative - interest in the Club's proposals for rule formulation and rule changes. The Board also seeks to hold the Club accountable for its regulatory performance and the Board's influence over finance enables it to constrain the Club's activities. Consequently there is an inevitable perception by the Club that the Board is interfering in what the

Club believes are - or wishes were - its own unique regulatory responsibilities.

Structure of the Board

Following repeated criticism that the Board was controlled by the promoters - and hence commercial priorities were dominating integrity and welfare concerns - significant changes were introduced from 2004 in the Board's composition and procedures. An independent chairman, Lord Lipsey, was appointed and under his leadership the Board has been reformed. Two robust non-executive directors were appointed. No single stakeholder now has a numerical majority - the five promoters on a Board of 12 no longer constitute the absolute 'promoter control' which many witnesses have criticised to this Review. Much business is now delegated to a streamlined standing committee system covering commercial, racing and welfare matters while a new executive committee was established to conduct business between Board meetings. The budget is now effectively handled by the chairman and the two independent directors - a 75% majority is required for budget issues, so the three independents and the Senior Steward have a blocking vote if they agree.

Clearly the composition and functioning of the Board has been much improved in the past three years. Its style of debate has apparently been mollified, with few votes these days, though the discussions on policy issues can be as 'full and frank' as ever. One of the new independent directors stated to us that: 'I have never seen anything like it. Full of very upfront confrontations. Very aggressive. But at the end there is usually a consensus. The independent directors make the difference. They change the atmosphere and culture. The promoters no longer control the agenda. The balance of power has altered'. The benefits of having an independent dimension on the Board are clear - and might be increased in the future (as discussed in Part III)

However, in an industry where criticism comes more readily to mouth than approbation, those changes in the composition and the balance of power on the Board have not led to the BGRB receiving anything like universal approval. The Board still carries the burden of its unsatisfactory history, just as the Club carries the burden of its own.

Issues in Evidence

Many criticisms of the Board were submitted to this Review, by the NGRC and especially from the welfare side of the sport. Specific criticisms mention 'poor transparency' of the Board's affairs and too little accountability of its financial expenditure. On welfare, there is acknowledgement of the increased activity under the new Board regime, but this does not satisfy the welfare charities. Apart from criticising the recent 2007 cuts in Board prize money as damaging welfare at the trainers' sharp end, the main thrust of their attack is that welfare is not placed institutionally at the centre of the sport's governing structure.

Many welfare lobbyists seek a statutorily regulated sport where welfare is formally and strongly represented within its governing body. Greyhound Voice, one of the more constructive welfare critics, asserts that *'the current structure must be replaced by one that places the welfare of the greyhound and the good of the sport as a whole first and foremost.'* The APGAW report sets out the case for a new ruling body - including interestingly both the welfare lobbies and the independent tracks within its formal composition. That issue is examined further below (see Chapter 9).

Here it can be said that it seems unlikely that one non-commercial aspect, 'welfare', however important, will ever, or should ever, be placed first in the priorities and structure of any commercial sport. Without profitability any commercial sport will disappear. The valuable role of the welfare lobby is probably best conducted as an outside interest lobby, without the conflicting and compromising pressures of sharing management. But the argument that animal welfare should be given greater priority in the affairs and considerations of the present Board and possibly in the future institutional governing structure of the sport is a serious one, which is reflected in the discussion of the reforms proposed throughout this Review.

The criticisms which witnesses submitted of the present Board (though some may reflect the performance of the Board prior to its recent changes) and the demands for its reform are considerable. Dogs Trust states that the present Board is *'convoluted, opaque and heavily biased by commercial interests'* and that it requires radical reforms and reconstruction *'to protect dog welfare and ensure a viable industry'*. The Society of Greyhound Veterinarians (SGV) sets out a litany of criticisms. It asserts the familiar theme that the Board is *'controlled by the promoters and the bookmakers'* and that it needs to be *'drawn from a wider base and.... To be more transparent and accountable in some of its financial affairs'*. The Board is allegedly (as was said equally of the Club) *'unfit for purpose'* and, most strikingly, *'as presently constituted is unsuited to take on the overall governance of the greyhound industry'*. One radical promoter concluded that the Board *'is as ineffective in governance as the Club is in regulation'* - a view also expressed by others.

Conclusion

Clearly, the new Board, despite its commendable reforms and adoption of greater welfare priorities and expenditure, has not won the approval of significant sections of the industry and, in its present form, is not everywhere accepted as having the full credibility necessary in a future governing body.

This Review bears in mind those serious criticisms and seeks to meet them in its proposals for a new unitary body of governance and regulation. This new body - while it should make use of the talents and experience of many on the

present Board - would not carry the heavy burden of historical internecine warfare which blights the present ruling bodies in the sport.

Chapter 4

THE NATIONAL GREYHOUND RACING CLUB AND REGULATION

Role and Responsibilities

Historically, the senior body in UK greyhound racing is the National Greyhound Racing Club (NGRC), which has supervised and regulated the sport from its national launch some 80 years ago in a role not dissimilar to the original role of the Jockey Club in horse racing.

The NGRC is a non-profit making regulatory body operating from separate premises. Its main responsibilities are:

- Custodian of the Rules of Racing, formulating and amending Rules in conjunction with others representing the industry on the BGRB.
- Acting as the judicial body for the conduct and discipline of licensed greyhound racing in the UK while implementing the Rules of Racing.
- Through the above to secure the integrity of greyhound racing.
- Monitoring and managing the Registry, a database of all racing greyhounds, greyhound owners, trainers and licensed staff and which records the changes of ownership of greyhounds.
- To license, inspect, and monitor standards of all licensed racecourses, trainers, owners, kennels, staff and officials, through its stipendiary stewards, other stewards and through its Security Department and security database.
- To collect fees relating to such licensing.
- Together with the BGRB and through its regulation, it secures welfare standards in the greyhound industry.
- To conduct the financial and human resource operations required by the above responsibilities.

Structure and Funding

The Club is headed by seven Stewards under the Senior Steward, Edward Bentall, and the Chief Executive, Alistair McLean. Supporting them are a dozen managers who cover registration, licensing, security, finance and administration. In the field are seven regional Stipendiary Stewards backed up by stewards executing drug sampling. It appears to be a well run small ship.

The NGRC's funding streams and its budgetary process are complex and have been described to this Review as 'Byzantine'. Out of a total income of around £3 million, the largest item, £1.6 million, or 51%, is derived from transmission licence fees paid by those tracks in respect of such of their racing as is televised either on Sky TV or into betting shops under their BAGS contracts. Three other fee categories - for greyhound registration, for trainer /staff licences and for track licences - provide nearly £400,000. Just over a million pounds comes from the bookmaker-funded BGRF, mainly for integrity, drug testing and research.

Hence around 85% of the regulator's income comes either directly from the betting industry through the voluntary levy to the Fund; or indirectly via the transmission licence fees, almost all of the income from which arises from BAGS racing and is thus paid for by tracks on BAGS contracts.

Furthermore, as mentioned in the above section on the Fund, the Club has no direct and representative access to this Fund, the source of 34% of its income. It has to approach the Fund through the BGRB, which is an unhelpful arrangement likely to provoke tension. The Board also provides half the committee which produces the Club's budget. Equally odd is that the Club in turn provides over £600,000 per annum from its limited resources towards the administrative costs of the BGRB.

The regulation of the sport would clearly benefit if these curious funding arrangements were rationalised - as is suggested below in chapter 10. It is also the view of this Review that the Club's total funding of around £3 million is scarcely generous given the size of the sport, the ever-expanding number of fixtures and races, and the growing pressure to regulate its large territory of integrity to ever higher standards of efficiency.

Its commendably improved computer facilities will clearly need further investment. Above all it needs more stewards and staff in the field. It is essential that the regulatory function of the new unitary body recommended below, should be provided with the funds it will need in order to execute its many tasks satisfactorily.

The cost of running the Club's central organisation, at around £1.5 million, is certainly not extravagant, though of course there might be savings were the regulator to share office space within a single ruling body. However, it is not easy to secure support for more funding for the regulatory arm when the Club is not viewed as sufficiently transparent and accountable by those on the BGRB who influence its budgetary process.

The Relationship with the BGRB

Over time, and especially since the BGRB separated from the NGRC in 1994 and the Board began to receive significant bookmaker funding, the Club has reluctantly conceded territory to the commercial powers on the BGRB, on whom it depended for parts of its finance. Not surprisingly, the Club resented this loss of prestige and authority. It clung desperately to its claims for regulatory independence and resisted pressure to submit to more accountability to the Board. It identified (understandably but not always correctly) greater accountability with loss of independent authority, just as it came to identify locational separation with independence.

To the Club, the Board was using its financial clout to elevate commercial priorities above the needs of regulation. The Club feels that it operates under unnecessarily stringent constraints, both on its finances and on its capacity to initiate rule changes to improve regulation - which it claims are often resisted by the BGRB for commercial reasons. There is some truth in the Club's complaints - just as there is truth in the Board's complaints that the Club lacks transparency and accountability and that its proposed rule changes too often lack sufficient advance warning or practicality of implementation. One general problem is that each side seems to be more aware of the other's failings than of each's great contribution to greyhound racing. But the failings are there.

Actually, to be fair to them, both bodies have modernised significantly in very recent years. The Board, under its independent chairman, has introduced the reforms described above which reduced the presence of the promoters in its composition, and especially on some of its key committees, so that the familiar mantra of 'promoter control' is no longer strictly numerically accurate. The Club has shown itself more open and pro-active, especially in the welfare field, under its new regime. But the working relations between the two ruling bodies, though improved, remain unsatisfactory. Too often the contacts between them have been conducted through lawyers.

One basic problem hitherto has been that the lines of authority and responsibility between the Club, once the sole ruling body, and the newer Board, have never been satisfactorily delineated (as they were for Irish greyhound racing in the 1958 Greyhound Racing Act which sets out the distinct roles of the Greyhound Board and the Irish Coursing Club.). At root is the curious fact that the Board has never been officially designated and universally accepted (especially by the Club) as the recognised governing body of the sport. Equally, although the Club is clearly and indisputably the current regulatory body, it and the Board are often in dispute over who ultimately controls certain regulatory territory and whether some aspects - such as welfare - are actually primarily of regulatory or governance concern (This Review concludes that Welfare is of concern to each of them, as is reflected in our proposals below).

Delineation of Roles

The Club in evidence defined its own role and delineated itself from the role of others in terms of what it does not do - mainly the marketing , promotion, political lobbying and all commercial aspects of the sport, which it leaves to the Board. The Club assumes that all but those commercial and political roles are for itself, but that leaves several grey areas. The Club accuses the Board of seeking to intrude into the boundaries of what it sees as its own independent regulatory authority. The result has been repeated territorial squabbles, sometimes petty, which have blighted relations between the two sides - though recent changes of personnel have lately produced more adult and sometimes more cooperative behaviour.

These disputes have been made more difficult to resolve because the boundaries between regulation and governance have not been drawn clearly and comprehensively and with the acceptance and recognition of each side. It is not for this Review to sit in judgement on who is right or wrong in particular disputes brought to our attention in evidence. But it is imperative that the roles of the governing and the regulatory functions be defined, accepted and respected by the whole industry.

Agreement on a clear delineation of roles - and on where (as with welfare) it is essential to share responsibilities - will not be easy to achieve politically since there are strikingly different views within the industry on what should actually constitute regulation and how independently it should be conducted.

Some leading promoters and trainers (who together constitute most of the 'regulated' in greyhound racing) seek in their evidence a diminished or a minimal role for regulation, suggesting it should be confined to a limited judicial function conducted by half a dozen stewards and a couple of clerks.

This Review takes a wider view of regulation. Broadly, the industry's future self-regulator should be responsible for the whole integrity of the sport and should share with the industry, through the Board, responsibility for welfare. The Club has at times resisted the latter. But clearly various important aspects of welfare - such as relevant rule making, the provision of injury statistics, best practices in track maintenance, kennel and transportation conditions, the care of post-racing dogs, the propagation of better welfare policies, and the provision of financial budgets for all the above - require the involvement, input and support of various industry stakeholders, including especially the track promoters. In all of these, cooperation between the governing and regulatory functions is essential. The regulator should also maintain information on licensing, registration, identification, tracing and re-homing of greyhounds. That information should be made available to relevant stakeholders in the industry, while ensuring it is not passed to those who may misuse it for

political or other reasons hostile to the welfare of the sport.

In executing the above functions the regulator should maintain a clear distinction between certain aspects of its role - for instance between what it does in (1) formulating the Rules, in (2) policing and enforcing those rules and (3) in its judicial role both in determination of guilt or innocence and the imposition of penalties for proven breaches of rules. The Society of Greyhound Veterinarians and others in evidence allege that the current Club has often conflated these roles, acting as lawmaker, policeman, judge, juror and executioner '*all at the same time*'. In future, whoever conducts regulation must have a transparent distinction between these roles. Certainly the judicial function (which some promoters and trainers argue should be the regulator's only role) must be separate from policing and indeed act independently from the Club itself or its replacement. Apart from these regulatory functions, there is no reason why the regulatory arm of greyhound racing should be involved, as inexplicably at present, with the collection and distribution of any revenues

Conclusion

Past history is not helpful in the task of delineating the role of regulation in British greyhound racing. There are too many inherited hostilities between the Club on one side and the BGRB and its participant stakeholders on the other. This Review later suggests a new governing and regulatory structure which hopefully will help to bury past tensions and provide a context in which the regulatory and governing roles can more consensually be defined and in which their institutional arms can live more constructively and trustingly together.

Chapter 5

THE REGULATORY PERFORMANCE OF THE NATIONAL GREYHOUND RACING CLUB.

Introduction

A substantial part of the evidence to this Review expressed some degree of criticism of the performance of the NGRC - to such an extent that, taking that evidence at face value, it is not clear that the Club currently has sufficient trust and credibility within the industry to continue in its present form as, or to become in the near future, a successful regulator earning the confidence of the regulated.

However, the opinions were certainly not all black and condemning (and many of the criticisms made were, in the view of this Review, excessive.) Several witnesses praised the high standards of integrity of the Club, the undoubted honesty and work commitment of its dedicated staff, and noted the improvement in the Club's performance under its present management. Some pointed out that it is a 'lean' operation and that was our personal observation when visiting its modest headquarters where morale and commitment appeared to be good. Financially, the Club may, as alleged, not be sufficiently transparent but it is surely not extravagant.

This assessment is confirmed by striking figures showing that the cost of running the NGRC is in 2007 only 3.1% above the level in 2002 and that the cost per race is now the lowest in the past 5 years - certainly a tribute to the Club's Treasurer. There was wide acceptance by witnesses that the Club's Rules of Racing are satisfactory (Irish administrators described them as *'an excellent model'*). Dogs Trust states that the Club is currently showing itself to be increasingly effective at regulation and that the *'improvement over the past 2 years in ensuring that the inspections are at a common standard, while far from complete, have made significant progress'*. Its management systems are improving, if from an earlier inadequate level. Even the often critical Board fairly referred to areas of good progress, such as the creation of an appeals mechanism and an independent Nominations Committee. Some individual promoters praised the Club for its policing and judicial work.

Recent Initiatives

The Club's letter to the then Defra minister Ben Bradshaw (6 April 2007) sets out several recent initiatives taken to improve its conduct of regulation, especially in the field of welfare, and it underlines the improved performance of the Club. The crucial Rule 18 concerning care of dogs is now being better enforced and its sanctions publicised. The monthly Calendar distributed to all licensees is informative and more attention is being paid to making it

editorially more interesting. The establishment of a Retired Greyhounds Department in 2005 was a significant step forward and the new Retirement Form introduced in 2006 should assist in the tracing of post-racing dogs. Training for kennel staff and kennel inspections is now in place. The appointment of Hazel Bentall to liaise over welfare standards is widely praised as a major advance. Certainly the Club reacted swiftly to the Seaham and Hinckley scandals.

More generally the style with which the Club has recently conducted its affairs appears more harmonious, with greater openness to reasoned debate and less of a closed door approach. Its communications with the welfare groups and even with the BGRB are sometimes less stiff than before. This Review appreciated the impressive quality and volume of the Club's own original evidence, which was very helpful in reaching our conclusions.

Towards the conclusion of the work of this Review, we received from the NGRC an Update setting out the various areas in which progress has been made or is planned (sometimes subject to funding) in response to the Defra minister's request for radical reform on its part. It is an impressive document. Sceptics may say that it is a document produced under pressure from government and under threat from this Review. Certainly more time is needed to test the actions and performance of the Club. But we prefer to be positive and say that the Update is highly encouraging and suggests that, when part of a more amenable structural environment, and when adequately funded, the authors of these reforms should prove able to meet many of the criticisms of their past failings which are listed below.

Areas of Criticism

Many of the more vociferous critics of the Club perhaps do not take sufficiently into account certain factors in its defence: especially that some of the worst failings cited to this Review actually relate mainly to the earlier generations of Club management and not to the present incumbents; and that as a regulator it has operated under severely constrained circumstances, with limited financial resources, overstretched staff and too few stewards implementing its regulations in the field. As a senior Club representative stated: *'The NGRC lacks the necessary independence to enforce the Rules of Racing. For example, the Government's requirements for welfare compliance enforcement is difficult to deliver because when one or two promoters object it is sometimes enough to derail the process thus undermining existing Rule enforcement The NGRC is independent in make-up but can be compromised by its funding'*.

The alleged failings of the Club outlined below in quotations from witnesses should be viewed and assessed within the above mitigating context. It is also apparent that whereas some critics, especially on the welfare side, point to inadequate implementation of regulation, others, especially among the sport's

participants, object to what they see as excessive regulation. It is not clear that both can be satisfied. Certainly it is not the prime objective of regulators to be popular amongst the regulated.

However, even after allowing for the constraints on its resources and the recent perceived improvement in its performance, it is not possible to underestimate, and certainly not to ignore, the breadth and weight of the criticisms of the NGRC which we received. The Society of Greyhound Veterinarians stated categorically that the Club as presently constituted is *'unfit for purpose'*, alleging that it is dominated by the Board which allegedly is *'itself controlled by the promoters'*. They add damagingly that *'we feel that the past record of the Club and its current performance as presently constituted do not inspire confidence for the future'*.

The Greyhound Trainers Association (GTA), representing key human participants in the sport, expressed reservations whether the Club should actually be allowed to continue as the regulator of greyhound racing, stating that it is *'an unelected, undemocratic body, and should not be in a position to impose their own rules and regulations on greyhound racing.... We do not trust the NGRC (in its present form) to satisfy the government and public that required improvements in welfare are being properly regulated and enforced'*. The trainers criticise the Club's alleged lack of 'practical knowledge' of greyhound racing, particularly at stewards' enquiries. They allege that the Club *'want to be politicians'* seeking more power - and if they have more power will impose more costs on trainers. The GTA concluded uncompromisingly (and probably unacceptably) that *'the only way this industry can get back on its feet is with the operators making the rules and the NGRC doing as they are told - policing the rules and no more'*. Notwithstanding that the selection of a former champion trainer to become a Steward of the NGRC earlier this year must have mitigated this view somewhat, it is evident that the atmosphere between the regulators and the regulated in some areas currently lacks harmony. Indeed, the divide between the world of regulatory principle and that driven by commercial imperatives is considerable, which is why the independence of the one from the other is so important and will remain a key feature of our recommendations for the future.

A recent issue of the Racing Post, where coverage of greyhound racing is usually reassuringly above tabloid level, carried a serious article stating that the governing regime at the Club is *'aloof and autocratic to the extent that there is precious little respect for the NGRC amongst those coming under their jurisdiction'* and that it is unclear who the Club is there to serve. The article described stewards [rather like journalists and Peers?] as *'an unelected group imposing personal views on what is still, by and large, a compliant and law-abiding group...(of)... trainers and kennel hands'*. The Club is presented as too 'zealous' in pursuing convictions and as having poor press and public relations. Another expert and generally sympathetic journalist commentator stated to the Review that *'The NGRC is run by a body of self-elected people who are honourable but often seem to live in a world of their own'*.

The BGRB is not a totally objective witness on the NGRC's performance, having clashed with the Club repeatedly over recent years. It contains some members who, from their separate evidence, have no great respect for the Club or for some of its regulatory activities and who wish to see its regulatory authority severely curbed. However, the Board certainly speaks with knowledge and experience of this subject. Its formal evidence, both written and verbal, was measured and constructive, perhaps reflecting the more cooperative and less confrontational style of its latest chairman. The Board evidence focussed on the alleged inefficiency of the Club, apparently resulting from the stewards' heavy involvement in hearings rather than the management of the organisation; on its lack of sufficient transparency and especially accountability; on its inconsistency of regulation, with different penalties for identical offences [not, it might be pointed out, unknown among magistrates and football referees]; and on the alleged inclination of the Club - perhaps hankering after its earlier historical supremacy in the sport - to interfere in the governance role of the Board. The Board accepts the need for strong regulation but does not see the present Club as the body to execute such regulation in future.

One major theme of criticism of the NGRC recurring among many witnesses is that, certainly until very recently, it has shown too little concern for greyhound welfare. Traditionally, Club regulation concentrated on the integrity of the racing. Such high integrity is essential to race running and betting and is therefore of direct commercial concern to the promoters and bookmakers who finance and dominate the industry, as well as to the mass of punters. Welfare of the greyhounds has not until recently been an equally central priority for the Club. (Curiously the Club did not respond to Defra's offer of consultation on the new Animal Welfare legislation). Welfare has been the concern mainly of the welfare charities which have been increasingly vocal, including in political and government circles, though having little formal status or authority within the industry.

The criticisms of the NGRC from these welfare charities generally starts from wanting more not less regulation - or sometimes a total ban on the sport. Such criticisms can vary in tone, sometimes constructive, as with the RSPCA, Greyhound Voice and Dogs Trust, sometimes from others becoming more extreme and counter-productively strident. But the general substance of their evidence is not supportive to the Club - often concluding that, as presently constituted, it is unsuited to conduct greyhound welfare regulation to meet the ever rising welfare standards in the future. Some want the sport's mechanism of self regulation to be totally replaced and implemented by a new statutory and welfare-based authority. Others agree on the necessary demolition of the present Club but they do not exclude continuing self-regulation by a new regulatory body if it were truly independent and with a strong welfare ingredient.

These welfare concerns are closely reflected in the July 2007 report of the APGAW, which broadly concurs with many of the above criticisms of the NGRC. While praising improvements at the new Club regime, the report criticised '*poorly managed systems*' and the inadequate resources which it operates. The report states firmly (and undeniably) that a mere half a dozen or so stewards cannot monitor over 1000 trainers and that the single Retired Greyhound Coordinator, although a commendable new initiative, cannot alone monitor the allegedly over 10,000 retired greyhounds each year. It concludes that the undoubtedly good work of a few dedicated individuals at the Club cannot '*overcome the historical, institutional and structural problems of the NGRC and the inquiry believes that it is time for a broadened regulator that will not be burdened by a flawed legacy and that can maintain high levels of confidence and bring renewed vigour to the industry as a whole.*²'.

The report envisages that many of the excellent staff who work for the Club will become valuable members of any new regulatory arm for greyhound racing (with which this Review certainly agrees), but concludes that the existing Club - for the reasons set out by it and other witnesses above - should not continue as the institution constituting that regulatory body.

Some of these critical views are apparently mirrored within government. The fragility of the NGRC's reputation and its vulnerability in continuing to act as the official regulator of greyhound racing were exposed in the trenchant words of the then animal welfare minister Ben Bradshaw, writing to the Club on 11th December 2006. He stated unequivocally that '*There can be no room for doubt that there must be a substantial and radical programme of reform, if the NGRC is to become a modern accountable regulatory body. Under no circumstances could the NGRC be endorsed as a regulator by central government unless they are willing and able to make root and branch changes*'.

That was surely a clarion call for radical change, with welfare moved to a higher priority in the regulation of the sport and, most importantly, the Club's very continuing status as the regulator of the sport in serious doubt. The ministerial statement provided part of the context against which this Review has been established and conducted, though the Review is independent and in no way subject to government or any other diktat. The tone of that statement chimes with the instinctive radical instincts of the present Review. As the bookmakers stated in their constructive evidence, the present time and circumstances, with this Review listening to the views of witnesses from the whole industry, is an '*ideal opportunity [for greyhound racing] to modernise in much the way Horseracing's Jockey Club has done*'.

² See APGAW Report, page 38

Conclusion

This Review has seriously borne in mind the recent considerable improvements in the performance of the NGRC and also the undoubted constraints on its resources. However, it is not possible to ignore the broad thrust of critical evidence. This was so strong and widespread that it is hard to conclude other than that as a regulator the Club, despite its many virtues and recent improvement, lacks the confidence and support of too many of those it regulates. Consequently, in its present form - and carrying the burden of its history - it lacks the necessary credibility within the industry to perform a sufficiently improved regulatory role in the near future.

The Club would argue, with considerable justice, that if it were given sufficient resources, its performance might improve sufficiently to regain the trust of the industry. Sadly, lacking that credibility now, and with no guarantees of rapidly improved efficiency, transparency and accountability, it is unlikely to be trusted by the industry with the extra immediate resources necessary to achieve that improvement.

The Club is sadly locked into a damaging circle where alleged past shortcomings appear to preclude it being given the scope and resources to prove it can achieve sufficient improvements now and in the future. This Review believes it is necessary to make a structural leap to break out of that circle and to bury the past in order to create a better future for regulation in the industry. This Review will below look to ways in which a new regulatory arm can be constructed, shorn and relieved of the burden of past failures and internecine animosities in the NGRC's history, and therefore able, with an urgent agenda of reform priorities, to carry forward the virtues of the present Club.

Chapter 6

THE INDEPENDENCE AND ACCOUNTABILITY OF THE REGULATOR

Introduction

The question of the independence of the present NGRC and of the independence of the regulatory process in greyhound racing, past, present and future, has recurred through much of the evidence submitted to this Review - not always with agreement among witnesses. The independence issue was wryly summed up by one senior officer of the NGRC: *'The Government and the welfare agencies want an effective regulator, the Club and the bookmakers want an independent regulator, while the promoters on the Board want to control a cosmetic regulator'*. What is clear is that the degree of independence given to any future regulatory arm, whether conducted by the NGRC or, as we propose, by a new body, will be critical to its role, its effectiveness and its acceptance by the industry, by the government and by the public.

The Need for Independence

This Review starts from the presumption, in common with much of modern good governance, that effective regulation requires that the regulator enjoys a considerable degree of independence from the regulated. The questions which face us are how much independence the Regulator should have, over which areas of the sport, and how that independence should be balanced with accountability - and to whom.

Clearly regulation cannot be guaranteed to be enforced effectively, fairly and consistently if the regulated (in greyhounds' case mainly the promoters, owners and trainers) have power over the regulators. The NGRC has repeatedly made that point to this Review, claiming that in fact too often in greyhound racing the commercial interests have over-ridden regulatory independence. Other witnesses, including vets and welfare groups, have broadly supported this view.

The Club complains in its evidence that its independence is compromised in principle and in frequent practice by its need for funding from those it regulates and by its subservience to the commercial operators on the Board. It argues that it cannot properly enforce welfare standards: partly because of lack of sufficient funding and also because those promoters wishing to avoid meeting welfare standards are in positions of authority on the Board and at the tracks to oppose the introduction and implementation of necessary rules. The Club also claims that the track vets, at the sharp end of the integrity and welfare of the racing dogs, are actually employed by the promoters and are sometimes intimidated by them so they cannot independently enforce the rules.

The Society of Greyhound Veterinarians in its evidence agrees broadly with this aspect of the Club's complaint. They argue that *'The NGRC has already found itself threatened with non-payment of grants and license fees when attempting to enforce decisions that were unpopular with the promoters. It is the opinion of the SGV that the financial dependency of the NGRC on the BGRB and the promoters is not in the best interests of the open governance of the industry and must cease.'* They cite instances where welfare and integrity have allegedly been subordinated to the commercial priorities of the promoters. The vets state unequivocally that *'the regulatory body must be totally independent'* and that such independence is essential *'in order that the welfare of the greyhound is protected'*. They assert that *'whatever regulatory structure is imposed upon the sport, it is axiomatic that it must have sufficient independent secure financial support to function effectively and transparently'*. Supporting this view, one individual commentator pointed out that *'down the years where the promoters take exception to NGRC policy, they threaten to (and recently have) kick out the Senior Steward.... The independence of the NGRC is tenuous mainly because of its funding mechanism'*. The SGV and other vets individually argued to us that track vets should be employed and paid independently so that the promoters cannot influence them. (We discuss this issue below in chapter 15).

The Need for Balance

This Review accepts that historically the independence of the NGRC has at times been obstructed and compromised by the elevation of commercial priorities above regulatory priorities. But it is not always an easy task to balance the two. Greyhound racing is a commercial sport under severe financial pressure. It must seek the highest regulatory standards - not least because racing integrity is a great commercial asset. At the same time it cannot ignore the commercial priorities on which its financial future depends. A difficult balance between commercial and regulatory (including welfare) priorities must be achieved. What is clear is that in the past there has been an unequal balance of power between the governing and the regulatory sides of the sport, to the detriment of the regulatory arm.

However it should be noted that some of the wilder allegations of 'promoter control' of the Board and, through it, excessive dominance over the industry, though correct about much of the history of the sport, are now to some extent exaggerated and out of date. The reforms introduced since 2004 and supported by progressive commercial operators, have recently reduced the power of the promoters on the Board and introduced more independent directors. There is now not a majority of promoters on the Board nor on its more important committees. Even so, the promoters have a dominant 'voice' and it may be questioned whether a satisfactory balance of power has yet been established - or indeed whether it can be with the present separate bodies which constitute the governing and regulatory structure, especially given their history of mutual animosity and the lack of trust and confidence persisting between the two sides.

That is one reason why a more radical restructuring may be necessary, as discussed below in Chapter 9.

The Promoters & Trainers

While considering the issue of regulatory independence, especially for a newly structured regulator, it should be noted that the promoters - the most powerful economic driver in the greyhound industry, who historically dominated the Board - submitted striking evidence rejecting the case for a more independent regulator. Indeed they argue for a major reduction in the regulator's role and the breadth of its authority, asserting that its authority should be confined to only the functions of central judicial enquiries (to be operated by five stewards and one and a half clerks). They claim, somewhat ambitiously, that the rest of the normal regulatory functions (rule-making and changing, licensing, registration, welfare etc) should be controlled by the industry stakeholders on the Board - ie by themselves who do the financing.

Clearly the promoters have a restricted concept of regulatory independence, stating starkly that *'the regulator does not need independence, it needs expertise'*. The only independence which they concede is an *'independent judgment of alleged breaches of Rules of Racing and independent application of penalties where....considered proven'*. They accept that the sport's judiciary should be *'independent in career background and independently financed'*. Beyond that restricted, but important, judicial role and a limited concept of independence, the promoters see the rest of regulation as being under the authority of the Board - though it would be an altered Board, with three independent directors, three practitioners and four promoters. The trainers' representatives broadly agreed with this position, one of them stating brutally that the regulators should exercise just the judicial function and apart from that *'should do what they are told to do by the stakeholders on the Board'*.

These strong views of the promoters and the trainers have to be seriously considered since they are the commercial heart of the industry and constitute the core of those regulated by the regulator. However, no other witnesses (not even the Board which these promoters are said to control) took this limited view of regulatory independence. The majority of other witnesses sought greater authority and independence for the regulatory arm, while often feeling that the present Club lacks the credibility to be that arm. But it should be conceded that the promoters do present a coherent case for thus limiting independent regulation to the judicial function and leaving the rest of regulation to a Board which contains both a stakeholder and an independent element. They argue that greyhound racing is a small industry and does not need big, costly and complex regulation. They draw a fundamental distinction between judicial regulation, which must be totally independent, and operational regulation, which they see as a process which needs expertise and not independence. They assert that in a small self-regulated sport there is no need

for strong independence; what is needed is the ‘buy-in’ by stakeholders to support regulation, which they claim is best achieved by involving the stakeholders in actually conducting the regulatory process. They fear that ‘independence’, especially if conducted by ‘outsiders’ (eg in their eyes some welfare groups), will be more likely to produce conflict and hostility, without consistency or the knowledge necessary to apply regulation in a practical way.

Their prime concern is to *‘look for the best way to make the sport work commercially’*. They are afraid that an extensive regulatory arm which is strongly independent would obstruct the commercial needs of the industry from a position of ignorance and so threaten its commercial viability and very existence at a time when it is anyway suffering financial decline.

This argument from the people who provide the arena for the sport and hopefully will invest in its future cannot be dismissed out of hand - though that would probably be the instant reaction of some of the welfare lobby. The promoters’ position has an impressively practical flavour. That valuable dimension of practicality can be incorporated into our proposed new model for the industry, where the promoters’ fears of alien, ignorant and impractical regulation can hopefully be allayed. But in principle their view seems to offer an unnecessarily limited vision of the desirable responsibility and degree of independence of the regulatory arm and runs counter to much of modern views of good governance. Regulation can be ‘independent’ where appropriate but also be held accountable and subject to consultation with those having practical knowledge and holding commercial responsibility. That is what this Review seeks to achieve.

Accountability

The promoters and the Board also make valid points in relation to the necessary accountability and transparency of the regulatory arm. They argue, from much experience, that the NGRC has often resisted being held sufficiently accountable, operating historically as a self-appointed body accountable to no-one. They point out that currently there is no clearly established mechanism for handling complaints about the regulatory conduct of the Club and that all such complaints are handled internally, with no independent scrutiny. Thus, it is alleged, the Club which demands its right to scrutinise independently the conduct of greyhound racing’s practitioners, does not allow such independent scrutiny of itself.

On the general principle of the accountability of the Regulator, this Review, while supporting greater regulatory independence where clearly appropriate, does not accept that the Regulator - whether the Club or a new regulatory arm - can expect to have unaccountable authority. Independence does not mean that a regulator can do what, when and how it likes, regardless of costs and the views of others in the industry. Regulating independently does not mean acting

wholly independently of the greyhound racing industry. For example, it is not practical in a commercial sport to allow regulators to introduce and prosecute whatever rules and practices they choose without consultation with those effected, without due prior warning and regardless of the cost or practicality of rule changes. There has to be due consultation and a reasonable and mutually agreed degree of accountability of the regulator to the practitioners who create and pay for the sport, as well as to the governing body and, in a broader sense, to the public which follows it.

Accountability vs Independence

The regulator should of course be independent in the day to day discharge of its licensing, welfare, policing and judicial functions and also in proposing rules and rule changes - though it should obtain consent from the governing Board for rule changes which have major organisational, financial or practical implications, and should give practitioners reasonable notice of changes which affect them and their work. The NGRC evidence appeared to concede only very limited accountability and claimed that, as regulator, the NGRC is ultimately accountable only to the law for its actions. That Club view may at times seem as extreme in its proclamation of unaccountable independence as promoters are in arguing that most of regulation should come under a Board where the commercial operators have at least the strongest voice. It is not surprising that the two sides have found difficulty in working together consensually.

It must be admitted, however, that the lines between necessary accountability and necessary independence are sometimes difficult to draw. The challenge for the future of greyhound racing is to establish a proper balance of power and accountability between the regulator and the regulated. Through that balance, the regulator should have the maximum independence compatible with necessary accountability, but not unaccountable licence. The regulated should not have power over the regulator; but nor should the regulator be unaccountable to the regulated. Achieving that balance has so far proved beyond the current governing and regulatory bodies

Conclusion

This Review concludes that the NGRC has in the past enjoyed insufficient independence in its conduct of regulation. The central priorities of that regulation have at times been subordinated to the commercial priorities of an industry under the remorseless financial pressures of decline. The desirable balance of power already described has not always been achieved. One objective of this Review is to readjust that balance and to reinforce the genuine independence of the regulatory arm in those areas where such independence is appropriate and crucial to good regulation.

It is encouraging that the present Government, the bookmakers, the welfare agencies and several of the more enlightened promoters have explicitly supported or have indicated a willingness to accept such a rebalancing of power. An important part of that process could of course be the introduction of a greater proportion of independence into the governing body to whom the regulatory function would be accountable. That is described in greater detail below in chapter 9.

But it should also be recognised that a significant degree of accountability and transparency by the regulator is required in the modern world. The Club sadly has not always acknowledged that reality. Below are suggestions for a new governing structure which might ensure such an objective, with greater independence and due accountability, and which would promise to give greater satisfaction both to those being regulated for the sport's integrity and to the wider public increasingly concerned with greyhound welfare.

Chapter 7

THE BRITISH GREYHOUND RACING FUND

Introduction

The terms of reference for this Review do not specify funding of the sport within its remit. But it is clear, as was argued by a large number of witnesses, that it is not possible to examine the working of greyhound regulation without considering its financing procedures, which help to determine its effectiveness.

The British Greyhound Racing Fund (BGRF or the Fund) is the body responsible for collecting voluntary contributions from greyhound bookmakers. The Fund also provides management and oversight for the BGRB budget. Its board of 14 contains seven representatives from the BGRB and six from the betting industry which provide its funds (some of whom may also be promoters). Therefore the Fund is effectively controlled by promoters and bookmakers and it does not have the strong independent and regulatory representation which characterises its respected horseracing equivalent, the Horserace Betting Levy Board.

The Greyhound Levy

The Greyhound Levy originated from a reduction in the General Betting Duty on betting in 1992 by the then Chancellor of the Exchequer. Part of the purpose of this was to allow for additional funding to be made available for both horse and greyhound racing. The former occurred through the statutory Horserace Betting Levy; however, absent a parallel mechanism for greyhound racing, a voluntary system was devised whereby bookmakers would contribute a percentage of their turnover on greyhound racing by way of a non-statutory levy. Thus, although the tax reduction had placed upon bookmakers an obligation to contribute to greyhound racing, the non-statutory nature of the mechanism meant that it was, in effect, optional actually to do so. That remains the position today, although the percentage of turnover contributed by those who do pay has increased in recent years.

Thus, the Fund's budget of £11.5 million in 2007 derives from a levy of 0.6% on bookmakers' turnover on their greyhound racing business. Regrettably, some 1,500 bookmakers, mainly the smaller ones, representing about 17% of turnover, do not contribute to the levy, even though they benefited from the original tax reduction and continue to benefit from exploiting greyhound racing in their businesses. In fact, only 35-40 bookmakers, including the major bookmakers, do pay. Clearly, a statutory levy on greyhound race betting, as in horseracing, would resolve this issue by compelling all bookmakers to contribute. It would also raise more money for greyhound racing, especially for regulation, as was advocated by several witnesses.

However, it has to be stated firmly here that currently there appears to be no appetite, no will nor intention by the British government to introduce such a statutory levy, even if it were considered to be possible under European state aid law - which seems very doubtful.

Administration and Composition

Some evidence to this Review praised the Fund staff as being efficient in its micro collection and administration of levy revenues and for being *'discreet and independent'*. But there were trenchant criticisms of its overall role and functioning within the industry. The promoters in verbal evidence supported its abolition. The bookmakers expressed varying degrees of dissatisfaction. One senior independent member of the BGRB stated that *'the Fund has turned into a dysfunctional unit and should be abolished. It is a complete dog's dinner. It is crazy that it can spend most of a meeting discussing whether to pay for a track boiler, when there may be neither estimates nor receipts'*.

Even with relation to the operation of the present Fund system there were a number of suggestions for desirable change. It was argued strongly that the Fund's board should be less commercially dominated and have more independent representation - and above all that Regulator, as a major recipient of its funding, should have representation on the Board. The Association of British Bookmakers - in pole position as representing the Fund's largest contributors - states unequivocally in its evidence that the Regulator *'should occupy at least one of the seven greyhound seats on the Fund'*. This seems sensible and desirable and should be implemented promptly.

Allocation of Grants

Use of funds for grants to track leisure facilities (as opposed to improving racing, integrity and welfare facilities) was criticised by many witnesses on the grounds that the track operators should invest in their own leisure infrastructure, leaving more funds available for integrity and welfare.

However, it is in everyone's interest that stadia facilities should be modernised and made more attractive to the public. The bookmakers suggested that more funding be made available for staff training, validation and quality assurance in inspection and to ensure greater independence for vets (an important subject discussed further below in Chapter 15). Dogs Trust radically argued that the Fund should extend its realm to unlicensed tracks on the grounds that it should cover *'the implementation of welfare assurance throughout the country'* and the whole sport, including all tracks where greyhounds are schooled and run. This statement fitted with the convincing argument by others that the Fund *'should be more pro active'* in outlook, looking positively to further the interests of the sport and not just reacting to the specific expenditure proposals placed before it.

The Need for Reform

However, all such specific reforms should be seen within the context of the necessary review of the total complex mechanism of funding procedures in the whole industry. As the BGRB said in its evidence, the sport's funding process *'is a convoluted system that would benefit from streamlining'*. The ABB agreed, concluding that *'we recommend that Lord Donoghue and his committee should examine the complicated financial relationship between the BGRB and the NGRC with a view to proposing a simpler and more efficient funding mechanism'*. We respond to that below in chapter 10.

Chapter 8

REGULATION: STATUTORY OR SELF-REGULATION?

Introduction

Greyhound racing in Britain is currently self-regulated. Regulation and governance are divided as described above - with many grey areas of inadequate delineation - between the NGRC and the BGRB, while a number of independent tracks are unlicensed for greyhound racing by the NGRC and therefore neither centrally governed nor regulated. It is an unsatisfactory situation with which few are content. This Review is a valuable opportunity to reconsider the whole structure and, in this particular section, the basic principles on which a revised system of regulation might operate.

Options

The broad options available in this sport are few, familiar and simple - though the details of implementing those options may vary and be complex. Basically, the theoretical choice is between continuing with some form of the self-regulation which currently pertains in British greyhound racing; or some version of state regulation, possibly founded on a statutory financial levy. State regulation could be based in a department of central government (though whether sport or animal welfare is not clear); could be a mixture of public and private control, as in Ireland; or could also involve local authorities (which currently operate licensing for zoos and riding establishments as well as for alcohol sales at greyhound tracks). Whichever basic path of regulation is chosen would inevitably in Britain operate within the existing legislative framework for the sport (for example, the Animal Welfare Act). That would apply with statutory regulation as for self-regulation.

Self-Regulation

Among most of our witnesses, self-regulation was strongly preferred to the statutory option. Evidence from the BGRB, the NGRC, the vets, the commercial promoters and the bookmakers - in sum by the central commercial and regulatory players in the industry - took this view. Their arguments for self-regulation are well-established and not easy to refute from any but the welfare position. Self-regulation is seen as preferable to statutory regulation because with it the industry itself 'owns' the process and therefore will, or should be, committed to its success. Self-regulation is also usually less bureaucratic and more cost-effective (probably currently true of the NGRC). It is also clear that British government is reluctant to introduce statutory regulation and would do so only if the industry were obstinately to refuse to reform itself soon.

As the BGRB wrote in its evidence: *'self-regulation, provided it is efficient and effective, is superior in principle and practice, to imposed state regulation'*. The Society of Greyhound Veterinarians agreed, stating that *'self-regulation is the most appropriate form of governance for the greyhound industry....We would therefore suggest that the best option for the future is the continued self-regulation of the greyhound industry, but under the aegis of a new autonomous non-governmental body'*. The experience of the City of London, with what many observers and clients believe to be an inflated, expensive and ineffective Financial Services Authority, is often seen as a warning example of the dangers and disadvantages of statutory regulation. These are certainly powerful arguments for self-regulation.

Statutory Regulation

However, the positive case for statutory regulation of greyhound racing was strongly presented to this Review by some welfare charities. They argue that, hitherto, self-regulation by the NGRC has been ineffective and has too often failed to achieve its regulatory objectives. They see little reason to believe that, even if better resourced, the present self-regulators would ever prove adequate to meet the major welfare challenges facing the sport. The charities are sceptical of whether an industry which they see as so dominated by racetrack operators and their commercial priorities would ever give sufficient independence and resources to the present regulators to achieve the needs and aims of high standard welfare regulation. With the ever swelling of welfare concerns - aggravated by unregulated breeding, by the growth of bookmaker demand for betting product, and by the possible disposal of a large number of greyhounds if the independent tracks close - the welfare groups expect these self-regulatory inadequacies to be further exposed in the future.

The more extreme animal welfare groups argue predictably, and often with counter-productive stridency, that the only effective solution to their concerns is that the sport should be banned. We reject that extremist view. But it is understandable that even the more moderate and well-informed welfare groups argue that, given the deficiencies of the present self-regulatory structure, only statutory regulation might guarantee to provide the necessary welfare for greyhounds.

Certainly, if the industry does not accept proposals along the lines of those made below, aimed to change the balance of power in the industry, giving the regulatory arm more independence where it is appropriate while making it duly accountable, and ensuring better animal welfare in the industry, then it would be understandable if the government should reluctantly conclude that only statutory regulation would achieve the modernisation and welfare priorities which are required in the twenty first century.

This Review, however, follows the majority of participants in greyhound racing in preferring the path of self-regulation, for all the reasons stated above. It should of course be self-regulation with the appropriate balance of independence and due accountability to the industry and its governing body. The general question which then arises is: by whom and how should such self-regulation be conducted?

Self Regulation: How Should It Work?

The simplest form of future self-regulation would be for the NGRC to continue operating as greyhound racing's regulator, preferably with more resources (and hence it would claim with more independence) than at present. The Club in its evidence presented a strongly held case for this outcome of minimal change. But most of our main witnesses, (including the vets who are deeply concerned to secure better regulation), opposed this step and this Review agrees with them. Clearly the lack of trust and support for the NGRC within the industry would make it difficult for the Club, even if better resourced, to achieve the degree of respect and regulatory authority which is required. The case against the existing Club having the necessary credibility to operate successfully the role of a future stand-alone regulator - despite its noble past and recent improvements - has therefore, on balance, been made to this Review.

One alternative form of radically revised self-regulation would be that option proposed by the promoters and already described above: for a small independent body executing limited judicial functions, with the rest of the NGRC's historic regulatory activities being henceforward transferred to and controlled by the governing Board. That impressively ambitious bid for an even stronger governing Board was not actually reflected in the Board's own evidence and, as suggested above, is not accepted by this Review.

Having in this Review supported self-regulation, but rejected the proposals put forward that it should be conducted either by the existing NGRC or according to the promoters' proposal for severely limiting the regulator's independent authority, there is a need for an alternative self-regulatory structure.

The conclusion of this Review points towards another radical option: to erase the existing regulatory and governing structures, with all their historical baggage of mutual hostility and non-cooperation; and to construct a new single and over-arching body to conduct both the self-governance and self-regulation of greyhound racing. That body should be in the main staffed by existing employees from both sides, thus retaining their experience and dedication. There is no need for a massive 'blood-letting'. Change can be achieved by re-employing experienced people in a more constructive institutional context and in an environment which should aim to bring the best out of them in their respective roles. However, some changes of senior personnel may need to be considered to free the new body from the burden of past personal hostilities.

In our discussions with witnesses, some on the welfare side, and of course the NGRC, opposed the concept of such a merger. Greyhound Voice stated emphatically that any linking of the Club to the Board would be '*an absolute disaster for the sport in general*' - fearing that regulation and welfare would be even more than now subordinated to the commercial priorities of the Board as they believed they knew it. However, this 'disastrous' outcome can, in our view, be avoided when creating a single body responsible for both regulation and governance. It is a question of structure, composition and balance of power and accountability within the body. It should be possible to create a single body within which the regulatory arm has more authority than with its present separate, impoverished and sometimes impotent existence; and where the commercial arm, while having the great involvement and influence which it must if the industry is to prosper, is not dominant other than in the commercial aspects of the sport which are its proper concern.

Within the suggested new single structure, the regulatory arm would rightly offer due consultation with and accountability to the governing Board, but would do so with the maximum degree of independence compatible with that necessary accountability. Its independence would be reinforced by having a separate and completely independent judicial function and by the fact that the governing arm would itself be further reformed to ensure that the regulator would not be accountable to a commercial majority.

The structural and policy implications of such proposed changes are described in the following section.

PART 3

A NEW BODY TO GOVERN, FINANCE AND

REGULATE

BRITISH GREYHOUND RACING

Chapter 9

A NEW BODY TO ADMINISTER AND REGULATE GREYHOUND RACING

Introduction

Although our Terms of Reference place emphasis on the need to review the current and future regulation of greyhound racing and the issues relevant to the principles of modern regulation, it became clear to us early in the review process that it would not be possible to address these matters in isolation. Indeed, any sporting regulatory regime is only as effective as the governance and financial structures which support it and the first part of our Report has illustrated in some detail why the current complex and sometimes illogical system of governing and financing greyhound racing is less than fully effective.

As has already been discussed, greyhound racing in Ireland is a thriving sport and, as with horseracing in Ireland, it is evident that one of the two main reasons for its undoubted success is that the sport has a strong, Government-backed central body – Bord na gCon – which governs all administrative and regulatory aspects of greyhound racing; the second reason is the relatively generous and secure funding regime enjoyed by Bord na gCon but, given that a significant proportion of it derives from the public purse, that is not an advantage we can seek to replicate here in Great Britain³ for reasons which have already been given.

The Need For Change

However, the need for a single, clearly identifiable governing body in relation to greyhound racing in Great Britain was also identified by many of those who presented evidence to us, although not, as we have seen, by the NGRC itself. There were a number of reasons for this which have already been exhaustively catalogued, but, in essence, they reflected the overall view that the current administrative and regulatory structure is too complex. This has led to inefficiency, duplication, slow decision making sometimes without adequate consultation and frequent tensions and disputes between the bodies involved. This situation means that the industry finds it hard to speak with one voice on those occasions when it matters.

There is also the perception that the NGRC has pursued and defended its independence to the point where it has distanced itself from the sport to such an extent that it has lost the confidence of those it regulates. As in any situation where a sport, or indeed any body of people, submits itself to a non-statutory

³ Greyhound Racing in Northern Ireland, such as it is, is regulated by the Irish Coursing Club

regulatory regime, that position is untenable. Add to this the remit placed on the NGRC by the Minister of State at Defra in December 2006 that it must “make root and branch changes” if it is to be endorsed as the sport’s regulator by central Government and it becomes clear that a radical approach to the regulation of the whole industry is indicated.

That is not to say, however, that the NGRC has not made the strenuous and indeed successful efforts to which we have already referred to modernise its approach and to address the criticisms which have been directed towards it. In particular, the award of UKAS accreditation is a major step forward and one which any new structure must retain. It is particularly significant that great strides have been made in the computerisation of records and the tracking of retired greyhounds; there is more to be done and an evident enthusiasm to do it, so it is important that any new structure takes this crucial aspect fully on board.

We are also aware that the BGRB itself has not been without its shortcomings. The apparent dominance of particular stakeholder groups on the Board created an unbalanced situation in which the regulatory budget was vulnerable to manipulation, thus rendering genuine independence at least partly illusory, and where the vested interests of the few could be pursued without significant hindrance.

However, we have already described the substantial change which has occurred since January 2004 and would reiterate that the introduction of two non-executive directors and the consequent absence of any single stakeholder majority has been a key development, leading as it has to the streamlining of the committee structure and to the lead role in the budgetary process now being played by the independent directors. This is a strength on which we shall seek to build.

Nevertheless, as discussed earlier in this report, it remains the case that neither the NGRC nor the BGRB necessarily operate in pursuit of the same objectives and, in fields such as welfare, where they should be doing so, the tactical approach may be different.

In view of this and the evidence presented to us we, as signalled throughout this Review so far, concluded that we must look at the central administration and regulatory mechanism as a whole. It seems clear that if a way of identifying the necessary central functions and a better way of arranging them can be found, then the sport would benefit from improved efficiency and less internecine competition. If, in the process, there is scope for cost savings, much needed additional funds would be released.

On the issue of costs, it has been said that the problems faced by greyhound racing could be resolved were the betting industry to make a greater financial contribution. To make such an assertion, it is first necessary to establish that the overall level of funding which is available is being used to best effect and

that expenditure of such funds is appropriately prioritised. We shall return to this issue in more detail but it remains the case that, if organisational savings can be identified, then these could be applied to other more pressing heads of expenditure, thus alleviating some of the pressure in cash hungry areas such as welfare, integrity and prize money.

In our review of the administrative and regulatory mechanisms, we looked first at the main functions of the two bodies.

NGRC – The Regulator

Part 2 of this Review has discussed in greater detail the role and functions of the NGRC and, for convenience, these are summarised again below, albeit in no particular order:

- The implementation and management of the Rules of Racing.
- To evolve, amend and provide advice on the Rules of Racing as is necessary in conjunction with the rest of the sport.
- The identification and registration of greyhounds for NGRC licensed racing.
- The licensing of greyhound racecourses, trainers, owners, kennel staff and track officials.
- To set licence fees in consultation with stakeholders to run the administration of the sport.
- To inspect and maintain the standards required of all licensed parties.
- To manage and maintain a database of all NGRC registered greyhounds, owners, trainers and other license holders.
- Management of the drug sampling programme.
- Setting standards for racing integrity including race form and greyhound performance.
- Investigation of complaints, alleged breaches of the Rules of Racing and, where necessary, the implementation of the disciplinary process.
- The publication of all formal notices and information through the NGRC Calendar⁴ and web site.

⁴ The NGRC Calendar is a fortnightly, subscription publication containing information, advice and guidance for licensed persons, up-to-date licensing or rule change information and lists of upcoming Open Race events as well as the results of Open Races staged over the previous two weeks.

- Setting standards for greyhound welfare and retirement.

BGRB – The Industry Body

There is, at present, no universally recognised body which governs the sport of greyhound racing in Great Britain. The BGRB is as close as it currently gets but its roles and functions are largely promotional (in the commercial sense) and representational. They may be summarised as follows:

- Strategic planning.
- Formation of industry policy on welfare and other common-interest issues.
- Preparation and presentation of the annual budget.
- Provision of public relations and media services, including Government liaison.
- Representing the sport where a single point of contact is required, such as with the public or press, or other related industries such as bookmakers or picture/rights distributors.

The BGRB discharges these functions with a small core staff and a network of committees, each of which addresses specific areas of activity and which report, through an Executive Committee led by the BGRB Chairman, to the main Board.

The Greyhound Board of Great Britain – An Alternative Structure

It is clear from that which has gone before, all of it evidence-based, that however well the NGRC and the BGRB work in isolation, they have found it extremely difficult to work together. Indeed, it is hard to avoid the conclusion that the power struggle which has characterised their relationship for so long has actually worked against progress.

There is also the continuing danger to the sport and its reputation that the perception held by those concerned with greyhound racing, from the Government downwards and in particular by the welfare groups, is one of a private club regulating a major British sport. This can only be harmful to those commercial opportunities which must be exploited if greyhound racing is to prosper.

It is against this background, therefore, that our recommended solution to the shortcomings of greyhound racing's current central structure is the creation of a single entity which combines the strengths of both the NGRC and the BGRB. This new body should take over from the existing bodies and perform cost-effectively the administrative and regulatory tasks required by greyhound

racing. We propose it should be called the Greyhound Board of Great Britain (GBGB) and that it should be the sole governing body of greyhound racing in Great Britain.

We have already highlighted the fact that one of the main bones of contention between the NGRC and the rest of the industry has been the former's insistence on maintaining its absolute independence, possibly to the exclusion of other priorities. Whilst we accept the need for an independent regulatory structure, we do not accept that independence and integration within a governing body are mutually exclusive. We will therefore recommend a structure which maintains the maximum degree of independence for the regulator consistent with the need for transparency and accountability to the sport as a whole. At its most fundamental this means that the GBGB, as the new governing body, would operate from a single headquarters unit.

We recommend that the GBGB should be established as a company limited by guarantee. Appropriate memorandum and articles of association should be drafted to provide that the company should be a 'not for profit' organisation. We suggest that the guarantees in the company should be held equally between the Racecourse Promoters Association, the Federation of British Greyhound Owners Associations and the Greyhound Trainers Association.

The Outline Structure

In considering a Potential Model for Future Regulation, the APGAW Inquiry⁵ recommended that "*a significant number of representatives from animal welfare organisations...*" should be included on a broadened independent body to regulate greyhound racing. After having reflected at length on this proposal, we cannot support it. Greyhound racing is a commercial undertaking; it is part of the leisure industry and a prime betting medium. In common with any other commercial undertaking, it has to be financially viable to survive. It is also a sport, like horse racing, which involves large numbers of animals. This combination of sport, betting and animals demands rigorous, effective and, as far as possible, independent regulation.

Whilst animal welfare charities have an important role to play in ensuring the care and welfare of greyhounds, we are not convinced by the argument that they should have a seat on the main board. They are not, in our view, in place to operate or regulate a commercial leisure activity but to bring influence to bear which helps to ensure that such activities are run humanely by those whose responsibility it is.

A regulatory body, constituted as suggested by the APGAW Report, would also include track vets, representatives from the independent operators as well

⁵ Associate Parliamentary Group for Animal Welfare Report – 19 May 2007 – Para 4.4

as the current NGRC. To include in addition a “significant number” of welfare representatives, who would quite possibly be difficult to select, would result in a Board which would be unwieldy in the extreme, riven by conflicting interests, and most unlikely to be an effective regulator in practice.

This is not to say, of course, that the position of the Welfare Groups should not be appropriately promoted and our proposals below explain how we would envisage their interests being properly reflected and incorporated into the new structure.

The Main Board & The Regulatory Board

We envisage that the GBGB should have a single main Board which would be the highest level of authority in the sport. It should, ideally, be smaller than the existing BGRB Board and contain an increased proportion of independent⁶ members. Incorporated within the GBGB, but with independent status, would be the Greyhound Regulatory Board (GRB). It is a fundamental feature of this Regulatory Board that it is a body integrated into the overall GBGB structure and not a subordinate element of it. For this reason, it is recommended that there would be strong common representation on both Boards to maintain the necessary high level of regulatory influence consistent with accountability. It is suggested that the composition of the two Boards should be as follows:

GBGB Board (10 Members):

One independent chairman – *to hold a casting vote*

The independent chairman of the Regulatory Board

Three independent directors – *(to include the Veterinary Director from the GRB – see below - but not necessarily limited to one vet.)*

Three racecourse promoters nominated by the RCPA.

One greyhound racing practitioner nominated jointly by the FBGOA and GTA

The GBGB Chief Executive

Although we do not support the direct involvement of any of the welfare organisations at board level in the governance or regulation of greyhound racing, we believe it would be appropriate to appoint independent directors either with direct veterinary experience of greyhounds or with an interest in and understanding of welfare issues falling short of direct involvement – or both.

⁶ We recommend that the term “independent” shall mean any person not beneficially interested in the ownership, control or operation of greyhound race tracks, the holding or conduct of public sales of greyhounds or the training of greyhounds for reward, or in bookmaking.

The recommended structure would, we believe, give a combination of stability and expertise to the Board with the chairman only having to use his casting vote in the unlikely event of an even split amongst Board members (as is the case at the Horserace Betting Levy Board). In essence, any proposition before the Board would have to attract a measure of independent support to succeed.

Regulatory Board (5 Members):

One independent chairman with a background in regulation.

One independent member qualified as a veterinarian.

One independent member with a background in the regulation of greyhound racing

GBGB Chief Executive

Senior Stipendiary Steward

With this structure and composition, three members of the Regulatory Board, including the Chairman, would also sit on the main Board, thus maintaining a strong element of regulatory influence at the highest level.

Stewards Disciplinary Committee

We have also heard much criticism that the existing regulator is rule maker, prosecutor, judge and jury in its own court. There is some justification in that assertion and we would address that by creating a separate body, the sole function of which would be to hear disciplinary proceedings. We suggest that this body be called the Stewards Disciplinary Committee and that those stewards serving on that Committee should be precluded from serving either on the GBGB Board or the GRB at the same time. The Committee would be serviced by a full or part time Clerk to the Stewards Committee. We see no reason to seek change to the Appeals Procedure which has already been put in place.

The Legal Position

The NGRC has provided us with a substantial weight of evidence which seeks to demonstrate why the BGRB and the NGRC must remain forever separate in order to preserve the integrity of the NGRC as an independent regulator. Since this is contrary to the structure of the unified body we have proposed above, the issue is addressed at this point before we go on to describe the different roles and relationships which we envisage.

It was our view when considering these issues that the legal backdrop has changed in recent years with the introduction of the Competition Act 1998 and also that many of the objections to combining the two bodies which have hitherto been upheld by the Court would be overcome by the substantial

independent element which we are now recommending at the decision and policy making levels. Indeed we have received substantive legal advice of our own which indicates as much at the same time as giving guidance on other potential areas of difficulty.

The advice itself is detailed and constructive but concludes that the amalgamation of the NGRC and the BGRB is no more likely to give rise to any greater exposure to successful challenge than exists already. The advice goes on to stress the need for practical separation of regulatory activities and competition compliance measures. We have taken this into account when formulating our proposals; for example, the omission of stakeholder involvement in the composition of the Regulatory Board described above derives from this source. A copy of the advice will be made available to the Transition Committee (see Chapter 16). We have also had sight of legal advice on the same subject commissioned by the BGRB from a different source. It also comes to the same conclusion that there are no sustainable objections in law to an amalgamation of the two bodies such as we have described.

The Role of the GBGB and Relationships Within the Organisation

The GBGB Board

The GBGB Board is the highest level of management in greyhound racing. It is ultimately responsible for all aspects of governance and regulation and must therefore be in a position to approve the proposals of the Regulatory Board. It has no links with, nor authority over, the Stewards Disciplinary Committee or the Appeals Procedure.

We envisage that the supporting structure for the GBGB Board should continue to function broadly around the Committee system currently in place with permanent staff resources allocated to particular areas of activity, including the management and implementation of welfare policy which we consider is a governance as well as a regulatory issue. We consider that the Committee level is the correct point at which the Welfare groups should have direct representation and suggest that the Welfare Committee should include among its membership a person nominated by the Greyhound Forum. It is for the Forum itself to decide who that should be.

We consider that a financial services office and a centralised IT and database management team should be specifically established. We examine staffing implications in more detail later in the paper but strongly believe that those who are currently involved in these areas of activity should be encouraged to continue, within the new framework, the excellent work which they have started .

The responsibilities of the GBGB Board and its supporting structures would therefore be as follows:

- To develop a commercial strategy for the greyhound racing industry.
- To promote the interests of greyhound racing.
- To approve proposals for additions or amendments to the Rules of Racing as submitted by the Greyhound Regulatory Board.⁷
- To formulate industry policy on welfare and other common-interest issues.
- To manage Government and inter-industry relations including public relations and media liaison.
- To approve the annual budget.
- To establish and maintain a common database covering all licensed greyhounds (active and, in due course, recently retired), personnel and premises.
- To develop and implement industry training policy.

Greyhound Regulatory Board

It is essential that the Greyhound Regulatory Board and its supporting staff have the independence necessary to police the sport of greyhound racing by enforcing Rules of Racing which have been approved by the GBGB Board and taking action against those alleged to have breached those Rules in accordance with procedures which have also been approved by the GBGB Board. The regulatory element should continue to administer the licensing system but we do not consider that the setting of licence fees per se is a regulatory issue, although regulatory costs will of course still have to be met from this source. Rather we see this being done by a separate finance office which would manage all non-levy (BGRF) income to the GBGB and which we discuss in greater detail later.

In summary, therefore, the responsibilities of the Regulatory Board would be as follows:

- To implement and manage the Rules of Racing.

⁷ We expect that such approval would not be unreasonably withheld, although recognising that excessive cost, inadequate notice and/or impracticality of implementation could be examples of occasions on which Rule proposals or amendments might need to be reconsidered.

- To propose, amend and provide advice on the Rules of Racing and to gain formal approval for such changes as are necessary from the GBGB Board.
- To provide the identification and registration of greyhounds for licensed racing.
- To license greyhound racecourses, trainers, owners, kennel staff and track officials.
- To inspect and maintain the standards required of all licensed parties.
- To manage the drug sampling programme.
- To set standards for racing integrity including race form and greyhound performance.
- To investigate complaints, alleged breaches of the Rules of Racing and, where necessary, to implement the disciplinary process.
- To publish all formal notices and information through the Calendar and web site.

Supporting Committee Structure

It is quite clear to us that both the BGRB and the NGRC are currently run by dedicated and well motivated teams of people. We firmly believe that if their efforts can be co-ordinated and directed under a single main board structure, such as has been described, and led by a single chief executive, that their combined output would be greater and better focused than the sum of the two parts. That will mean some structural reorganisation and certainly co-location.

As a basis upon which to build, we believe that a streamlined version of the Committee structure which underpins both the BGRB and the NGRC should, in essence, remain, with each Committee chaired by a main or, where appropriate, regulatory board member and supported by one or more of the sections/teams within the permanent staff structure. This latter point is important because focussed executive support can lighten the load on the respective Committee chairmen and assist the Committees themselves in identifying the decisions they must take by developing proper executive analysis and recommendations in advance of meetings; and subsequently progressing and implementing such decisions.

It would, of course, be necessary to add a standing Regulatory Committee to support the Greyhound Regulatory Board in the first instance and to form a team or teams to support that Committee. Membership of the Regulatory Committee might include the Head of Regulation and representatives from the

practitioner and welfare fields. In this context, the continuing need for the current related NGRC Expert Committees (Integrity Joint Committee, Rules Review Committee and Sales Trial Sampling Committee) would be for consideration by the Regulatory Committee itself but there is no reason why they should not be retained as specialist sub-committees of the Regulatory Committee if deemed necessary.

The BGRB set up its present structure of policy committees matters nearly four years ago, following a design by one of its directors. This represented a major step forward in resolving detailed matters without debate at full board; in involving a wider range of greyhound practitioners in the work of the Board; and in empowering the committee chairmen in progressing policy initiatives. The Committees also form an essential part of the budget-setting process, which will be described in more detail in Chapter 10.

The standing committees of the BGRB include the Commercial Committee, the Racing Committee and the Welfare Committee. There is also the Chairman's Executive Committee comprising the chairman himself, one independent BGRB director and the three standing committee chairmen. It is in the nature of the current organisation that a number of the same people sit on different Committees.

Although the structure has worked well, the creation of the GBGB will provide a timely opportunity to review certain elements of its operations. We are told, for instance, that some of the Committees have become too large for effective despatch of business; also, and perhaps as a consequence, there is a tendency for attendances to be unstable, resulting in the substitution of members which can prejudice continuity and consistency in decision-making. This may also provide an opportunity to review the terms of reference of the Committees to ensure that their functions remain relevant and focussed and would not be better carried out elsewhere.

It seems likely that the work of the NGRC's Veterinary, Welfare and Scientific Committee could be combined with the BGRB's Welfare Committee to good effect, ideally under the chairmanship of the independent veterinary director of the Regulatory Board.

The current membership of these two existing committees would require review to ensure that the new committee (perhaps called the Greyhound Welfare Committee) was of a manageable size and included expert representation from the operational areas of the sport as well as from the veterinary and welfare fields. We recommend that the Chairman of the Retired Greyhound Trust should be retained as an ex-officio member and, as indicated above, that one member of the Greyhound Welfare Committee should be nominated by the Greyhound Forum.

We further recommend that the existing Joint Finance Committee and the BGRB Budget Committee should combine to become a Finance sub-committee of the Executive Committee. It is ultimately for those involved to decide but we would suggest that the Finance sub-committee should comprise the GBGB board chairman, the Regulatory Board chairman and one other independent main board director. The Executive Committee itself would of course need to expand to accommodate the chairman of the Regulatory Committee. We envisage that the financial services office and the IT and database management team, both mentioned above, should be responsible, through the Chief Executive, to the Executive Committee.

An organisation chart showing the proposed Board/Committee structure is appended to this chapter.

Supporting Staff Structure

The NGRC headquarters currently has a staff of 12 persons and the BGRB currently has a full-time complement of 4 persons, supported where necessary by consultants in the fields of welfare, industry training and public relations/public affairs. We believe that all 16 of those currently employed by the NGRC and the BGRB could be integrated into a joint headquarters structure to provide comprehensive staff support for the standing committees and both the GBGB and the GRB. A proposed staff organisation chart is appended to this chapter as a suggested starting point for the new organisation.

We of course accept entirely that, in managing the transition which must occur, those with responsibility for that process may take a different view on the way forward. However, we have taken this approach because we are conscious that structural change on this scale has the potential to be highly disruptive and one reason behind our approach is to minimise the day-to-day impact on the staff involved, particularly in the early stages. We have no doubt that the management team will, in due course, identify synergies and working patterns which we have not recognised and adapt the organisation accordingly.

Distribution of Staff

It has been represented to us that the various functions currently carried out by the NGRC and the BGRB can be listed and categorised as either “Regulation” or “Administration” and divided accordingly. Whilst superficially attractive, there is, or should be, in practice a good deal of interface between the two. In the key area of welfare, for example, it is evident that the Rules of Racing play a major part in ensuring the welfare of greyhounds but it is not part of the welfare task per se to develop and maintain the Rules of Racing. Rather that is a matter for the regulator, in consultation with others, including the welfare interests, to carry out this task. Similarly, a crucial function of welfare is the

registration, licensing and tracking of greyhounds but, again, the execution of these tasks is not a welfare responsibility.

The headquarters structure which we are suggesting, therefore, envisages an interactive relationship between the various teams, in response to management direction, to secure whatever objectives the organisation as a whole needs to achieve. To deliver this result, we are proposing a structure headed by a Chief Executive Officer with two main divisional branches covering Policy & Industry Affairs and Regulation reporting into that office.

Policy & Industry Affairs

The Head of Policy & Industry Affairs would act as Company Secretary and should, we believe, be responsible for all activities which do not lie within the specific field of regulation outlined below. These would include direct responsibility for developing commercial strategy, marketing, public relations and industry training and the supervision of the welfare, finance and administrative support functions within the headquarters. Essentially this role reflects much of the work currently undertaken by the BGRB's General Secretary and Policy Officer, adapted to meet the needs of a unified headquarters.

Regulation

Similarly, as the chart shows, there are certain regulatory functions currently carried out by the NGRC which, under the Head of Regulation, could translate directly across into the new structure and in which change will be minimal, at least in the first instance – perhaps the current NGRC General Manager might be an appropriate appointee to this role. The NGRC Security Office functions would, we believe, continue as they are, as would such functions as registration and licensing. The Head of Regulation, in close co-operation with the Head of Policy & Industry Affairs, would also be responsible for the definition and co-ordination of the developments needed in the field of IT (see paragraph below).

Finance

The BGRB have recently recruited a Finance Manager and there is also a Financial Secretary at the NGRC. We have argued elsewhere for a simpler financial management structure than that which currently exists, which should flow naturally from the reorganisation anyway. If this can be achieved and the relative roles of the two persons concerned can be matched, we see potential advantage in a strong finance office employing two people handling all aspects of financial management for the organisation. This would, as suggested above, include everything from recommending appropriate fee levels to management of the payroll.

Information Technology

Turning to IT, it would appear, prima facie at least, that the resource for the timely development of IT systems between the two organisations is inadequate. The NGRC IT manager has made great strides in implementing a system for the tracking of retired greyhounds but systems are needed to ensure that accurate and accessible records of all licensed greyhounds and personnel are available to management, not only in the interests of effective regulation but also to enable the industry to counter some of the claims of those opposed to greyhound racing. We describe what we see as the priority goals for IT development to be addressed by the new organisation in Chapter 14 below but consider that an IT support and development team of 2 would be the minimum required to deliver what is needed in a reasonable timescale. Indeed, it seems likely that consultant support in this area may also be needed in the first instance.

Welfare

We note that, under current arrangements, the BGRB employs a full-time Welfare Officer and also a Welfare Consultant. We have proposed a new Welfare Office consisting of two people, recognising that they will have an involvement with managing the impact on the industry of the Animal Welfare Act and the secondary legislation which flows from it as well as working closely with all other elements of the headquarters in the development of policy and regulatory recommendations on welfare-related issues affecting the industry. We would also envisage this office perhaps supporting the CEO where events or circumstances demand press and/or public relations responses from the industry. Taking into account the job descriptions for the existing incumbents which have been provided to us, it is for consideration that both members of staff should be employees of the new organisation.

Field Force

The NGRC currently employs seven Stipendiary Stewards; it has told us in evidence that the figure required is 12 and, indeed, that it was a requirement of the Minister of State at Defra that such a number should be available. We are unqualified to give a view on whether this number is correct or not but it is evident that resources are currently spread thin on the ground and that an increase is clearly necessary. It is not immediately obvious where the additional funding needed to fulfill this aspiration can be found but it must, in our view, be an early objective for the Regulatory Board to carry out a review of its Field Force requirements and to accord an appropriate budgetary priority to meeting them. We have therefore, and for the purposes of this Review only, illustrated a Field Force of 22, of which 11 are Earmarking Stewards, with the remaining 11 comprising the seven current Stipendiaries, the three

Security Officers (Sampling) and the Investigating Officer. However, we must be clear in stating that, if the case for 12 Stipendiary Stewards is correctly made, the recruitment of the extra five should be seen as a high priority for the new Board.

It will be noted that our recommended membership of the Greyhound Regulatory Board included the “Senior Stipendiary Steward”. Currently, none of the Stipendiary Stewards carries this title. We therefore recommend that either one of the current incumbents should be identified and appointed as such; or that a person should be recruited specifically to the post as part of the overall increase in Stipendiary Stewards discussed above.

Tenure of Directors

We note that different arrangements are in place concerning the length of time for which directors/stewards may serve on their respective boards and even between the time that non-executive and industry directors may serve on the same board. We are also aware that there are some directors who have served for many years. In general terms, we are not convinced that such longevity, in this or any other field, necessarily contributes positively to innovative thinking or a readiness to adapt to or even recognise changing circumstances and priorities.

We recognise, of course, that tenure must ultimately be a matter for the industry and for the boards themselves but the issue will nevertheless need to be addressed and agreed before any new Articles of Association are finalised.

It is our strong recommendation, in the interests of good governance, that directors, including chairmen, should serve for no more than four years at a time and that they should be eligible for re-election only once, thus capping their service at eight years. We are also aware that the BGRB has a maximum age limit beyond which directors may not serve. The new body will wish to take advice as to whether, following recent age discrimination legislation, such a provision remains legally enforceable if it wishes to retain the restriction.

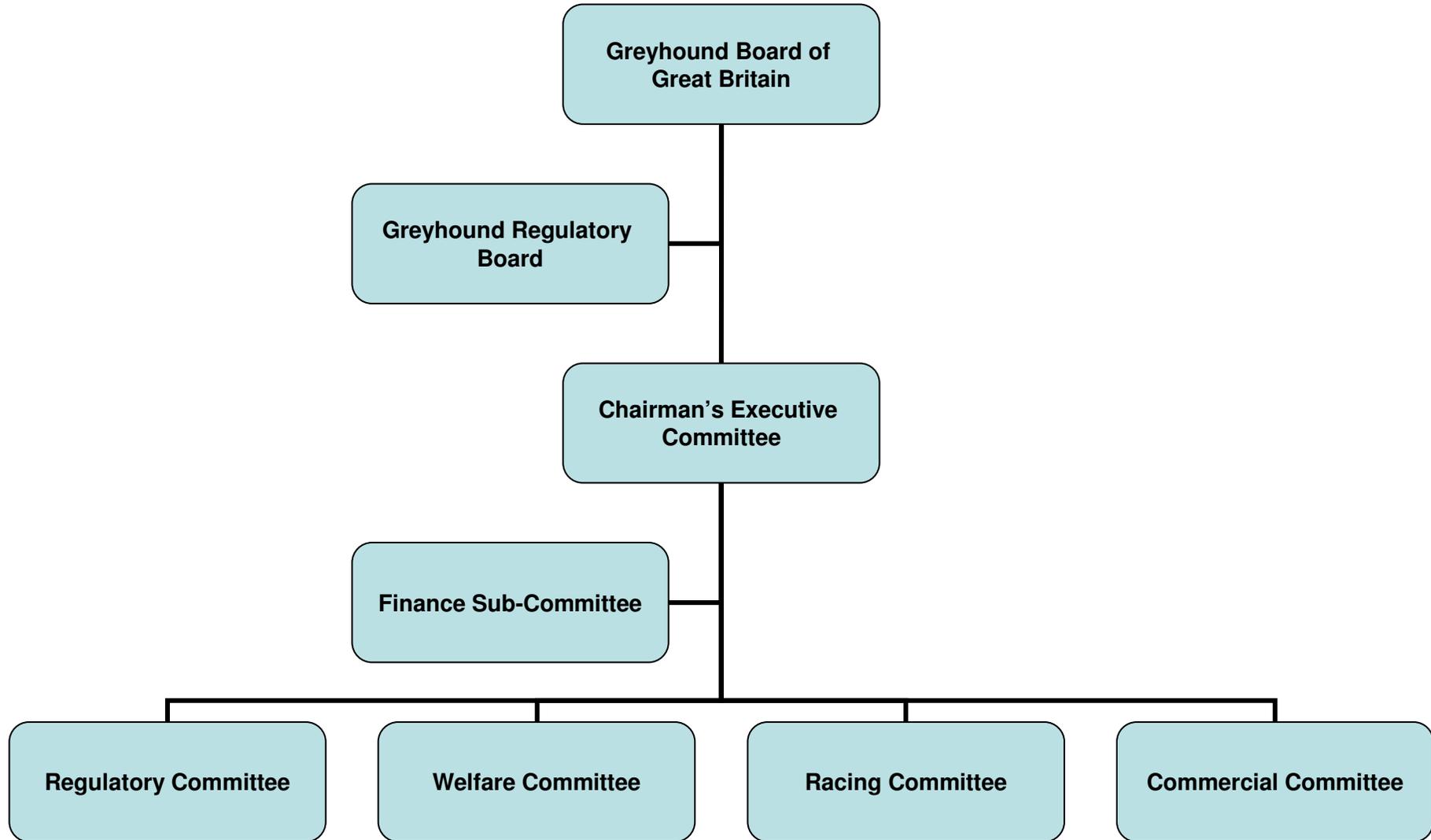
Conclusion

We have in this Section set out our reasons for recommending a single body to govern and regulate greyhound racing in Great Britain. The suggested structure is designed with interdependent and cross-reliant staff functions within a clearly defined management framework.

Although deliberately not far reaching in personnel terms, we have also made proposals as to how, certainly initially, such an organisation might be structured, recognising that it will, indeed must, evolve as it gains momentum and operational experience. This has not so much been a case of reallocating

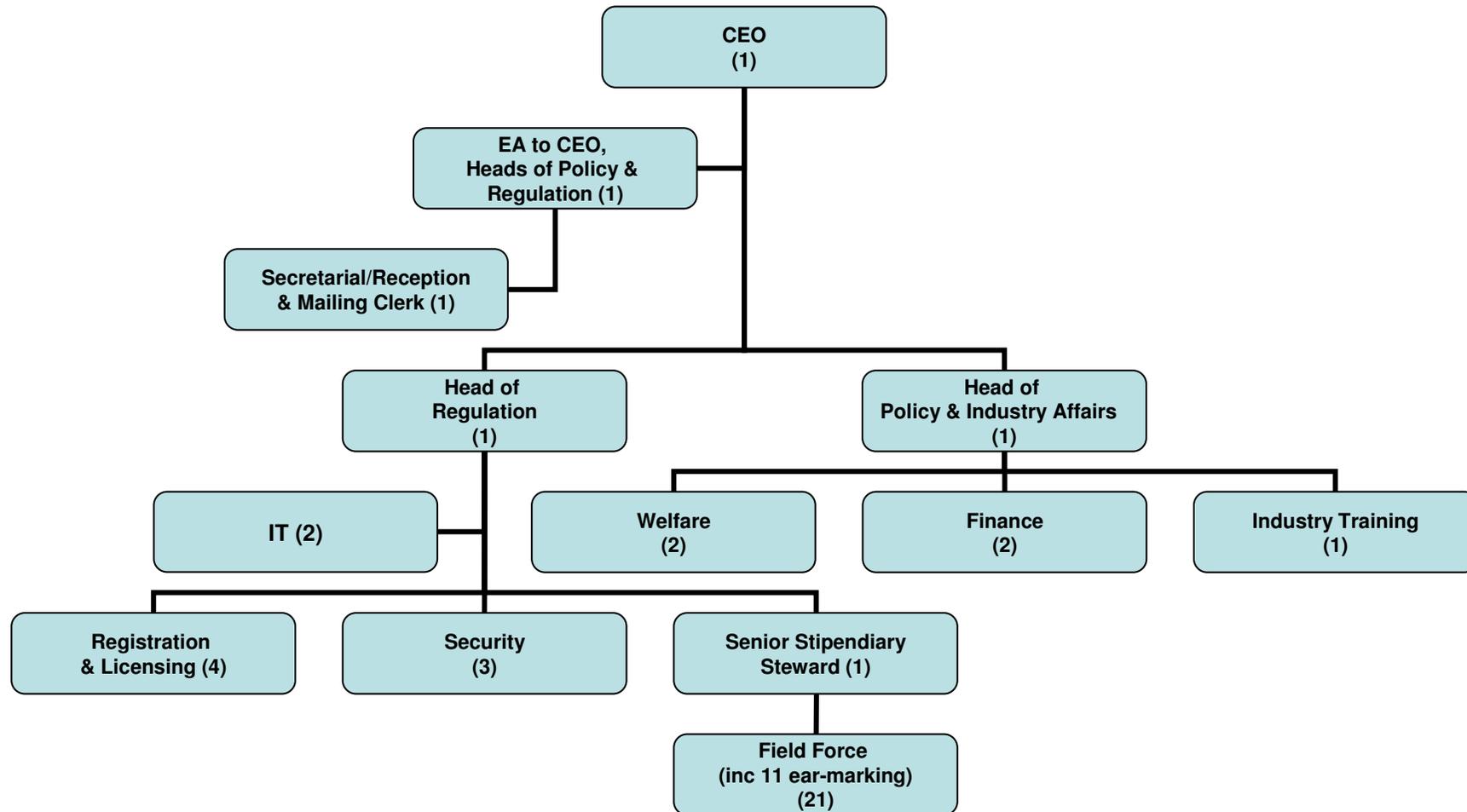
particular tasks from one body to another as seeking to create one integrated organisation carrying out the entire function of both existing bodies. At the same time, we have sought to preserve the degree of independence needed by the regulatory element to carry out its role unimpeded by factional interest or the threat of cash starvation, whilst remaining accountable at the highest level to the industry and the wider public it serves.

Greyhound Board of Great Britain
Proposed Committee Structure



GREYHOUND BOARD OF GREAT BRITAIN

Proposed Staff Organisation Chart



Chapter 10

THE FINANCING OF GREYHOUND RACING IN GREAT BRITAIN

Introduction

This Regulatory Review of Greyhound Racing was commissioned in the wake of the Seaham incident which alerted a wider public to some of the welfare issues surrounding the sport. Our Report, although initially intended to be concentrated on regulation, has necessarily covered a broader canvas; it rapidly became clear that good welfare is to a large extent derived from good regulation and good regulation is derived from having the correct governance structures in place. Our Report has therefore covered all these different aspects of greyhound racing but must also recognise that the whole proposition we have put forward is dependent upon robust, adequate and transparent financing.

It would be fair to say that nearly every witness from whom we have received evidence has been critical of the current financial structure of the sport. The Association of British Bookmakers (ABB) in its evidence described the financial relationship between the NGRC and the BGRB as “complicated” and questioned the efficiency of the system of cross-funding which exists between them. The brief analysis of the structure which follows shows that the system is indeed complex and contradictory and, in our view, ripe for reform.

The British Greyhound Racing Fund

An overview of the BGRF has been given at Chapter 7 so it is sufficient to say here that by far the largest single source of income to greyhound racing as a whole accrues from the greyhound levy paid by a minority of bookmakers, albeit including all the major companies, to the BGRF. The current rate is 0.6% of betting turnover on greyhound racing events and this generated an income of just under £11.5 million to the fund during 2006⁸. Although turnover on greyhound racing has declined somewhat during 2007, the introduction of evening opening of betting shops and the consequent purchase by BAGS⁹ of additional fixtures suggests that the income to the Fund through 2007 and 2008 should nevertheless hold up at around £11.3 million. The mechanism by which the Fund disburses its income is discussed below.

Other Sources of Income

The other main source of income accrues to the NGRC through its collection of licence fees. These include track licence fees, registrations and transfers of

⁸ BGRF Annual Report 2006

⁹ See Chapter 2

ownership and licence fees payable by trainers, officials and kennel staff. The largest single source of licence income, however, is the Transmission Licence fee currently paid by those tracks on BAGS and Sky TV contracts which currently pay £51 per race for regulation (to be increased to £53 with effect 1st January 2008). The Transmission Licence fee generates approximately £1.6 million per annum income for the NGRC or about 51% of its total income of just over £3 million in 2007. There is, however, some disquiet about the fairness of this charge amongst those track promoters who pay the Transmission Licence Fee and we will return to this matter later in the chapter.

Track and Personal Licences

Each of the 30 licensed tracks pays a licence fee of £155 per month to the NGRC; this raises about £54,000 per annum; this sum is to be increased to £160 per month (£1920) per annum from 1st January 2008, when it will raise £57,600 per annum. Trainers, kennel staff and officials pay annual licence fees varying from £8 for kennel hands to £47 for professional trainers (to be increased to £9 and £49 respectively on 1st January 2008). These are small sums of money which together generate around £85,000 (increasing to £93,000 in 2008) and in some categories, it is said, do not cover the cost of their own administration. This does not seem sensible but the authorities have been conscious that those who pay these fees are in many cases not well off individuals. It also appears that, because the sums are small, even doubling them would make little difference to the overall budget whilst seeming to impose an unwelcome burden on those least able to afford such additional costs.

Registrations and Transfers

The current fee for registering a greyhound or registering a transfer of ownership is £25 (less VAT) (£26 with effect from 1st January 2008); together, these raised £255,000 in 2007 based on 10,000 registrations and 2,000 transfers of ownership; assuming the same volume in both registrations and transfers, this figure is set to increase £265,500 next year. The level of registration fees charged over the years has varied considerably but it is still lower now than it was 15 years ago. We do not think that such a pricing structure is sustainable either on administrative, commercial or welfare grounds when the costs of providing and maintaining the necessary regulatory resources are increasing.

Integrity - BGRF Grant

The last major source of income to the NGRC accrues from an annual grant from the BGRF in support of the drug prevention regime, including the sampling itself, funding the Flying Squad, research and the earmarking programme. This amounts to over £1 million per annum but, as explained in more detail below, such grants must be approved by the BGRF Board which,

with the exception of its independent chairman, is populated by BGRB board members and bookmakers or their representatives. The NGRC itself is not represented on the BGRF Board.

Administration Charges

The BGRB and NGRC administrative budgets are prepared by a finance committee comprising an NGRC steward and its Chief Executive, sitting with a BGRB director and the BGRB General Secretary. Administration costs for both bodies are met from income from licence fees and the process thus agrees the fee levels necessary to meet the administration budget costs. The combined budget for 2007 was £1.29 million for the NGRC plus £619K for the BGRB, totalling £1.91 million. This process does not involve the BGRF.

The BGRB/BGRF Budget Process

Each year, in August, the BGRF meets to decide the Fund's budget for the following year. This is based on an assessment of likely income, the Fund's own administrative expenditure and a prudent policy on reserves. The remaining "disposable income" figure is then notified to the BGRB.

The BGRB budget process starts in September. The Chairman issues guidelines as to the parameters and priorities which he believes should shape the Board's approach and bids are accordingly made by the three standing committees which are Welfare, Racing and Commercial. We are informed that, in general terms, the standing committee budgets are broadly comparable in size; the welfare budget covers diverse issues, racing includes prize money and commercial includes marketing and grants to stadia. These bids are then submitted to the BGRB Budget Committee which comprises the Chairman and both Independent Directors.

The Budget Committee makes a provisional allocation which is then discussed further with the Committee chairmen and adjustments made where necessary with any increases in one area having to be offset by decreases in another. When finally agreed between the Committees and the Budget Committee, the recommendations are put to a special BGRB Board meeting which is invited to approve the package as a whole.

Once the budget has been agreed by the BGRB, it is forwarded to the BGRF Board for approval. By convention, the six bookmaker members of the BGRF Board approve the budget without substantial amendment, although they may seek to ensure that there is no or minimal dilution of expenditure on issues to which particular importance is attached; in particular, they have helped to ensure that welfare spending has risen and sought to satisfy themselves that there is adherence to proper financial disciplines.

As noted above, the NGRC receives the funding for its integrity programme through this process, with the actual sum being bid for via the Racing Committee to the BGRB Budget Committee and thence to the Board. Although the NGRC has no representation on the BGRF Board, the Senior Steward is a member of the BGRB Board and the NGRC Chief Executive is a member of the BGRB Racing Committee. Thus, although always a minority voice, the opportunity for the NGRC to contribute to the budget-building process is there, even if it is not actually part of the BGRF final decision-making.

Summary of Current Position

The current position, therefore, is that monies derived from the NGRC licensing programme are used to fund part of its regulatory costs and also the administration costs of the NGRC itself and the BGRB. The allocation of funds derived from the greyhound levy, including the integrity grant to the NGRC, is, in effect, decided by the BGRB and approved by the BGRF Board. The BGRF Board has seven seats out of fourteen allocated to the BGRB and all seven are occupied by people who are also BGRB Board members. The NGRC is thus in a position whereby it not only funds the administration of the BGRB but must also submit any other bids for funding, which must necessarily be met from the BGRF (such as a drug testing budget) through the BGRB Committee structure and, ultimately, be approved by a BGRF Board on which it has no representation and of which the BGRB holds 50% of the seats. What this means in effect is that the Regulator must both fund the administration of the regulated and rely on the support of the same body before it can obtain the additional funds it needs from time to time to carry out its primary function.

Even if this institutional influence of the regulated over the Regulator were never to be exercised, it is hard to see how the much vaunted independence of the regulator is enhanced by this opaque and conflicted funding structure. In fact, we have evidence which suggests that it is not unusual for this influence to be brought to bear, either directly or implicitly, where an aspiration of the regulator is perceived to be in conflict with the commercial interests of the sport.

We do not believe that this funding mechanism can be justified under the modern principles of regulation and governance, in particular the principles of transparency and accountability. It is, among other things, for these reasons that we have recommended a single governing body for the sport and it is clear to us that a radical change in the way in which funding is managed is required. We make proposals for a different structure below.

An Alternative Approach to the Funding of Greyhound Racing

It is, we believe, axiomatic that greyhound racing, like any other sport, should

be responsible for paying for its own regulation and that the costs of that should be spread fairly across the different sectors; that is not self-evidently the case at the moment. At the same time we recognise that some have a greater capacity to pay than others but that cross-subsidy is to be avoided or at least reduced to the greatest extent possible. It will be to the great and continuing advantage of greyhound racing if Government accepts our recommendation that it should remain a largely self-regulating sport, albeit within a statutory framework; as recent examples show, the institution of a full statutory regulatory regime is a very expensive business indeed.

Licence Fees: The Transmission Licence vs Track Licence

Although the NGRC is heavily reliant on the Transmission Licence Fee for its funding, it is the view of those who pay it and, we believe, some bookmakers, that the Fee is in fact a cross-subsidy which unfairly impacts upon the payers. They would prefer to see a mechanism under which the cost of regulation was more closely correlated with the degree of regulation actually required by each track. To an extent, the Transmission Licence Fee already does this because it is charged on a per-race basis and thus those who race the most, pay the most.

However, because it applies only to those whose races are televised, the charge is concentrated on some tracks and not others, thus introducing a cross-subsidy element in the cost of regulation. We have some sympathy with this point of view and will suggest that a higher annual track licence fee plus a per-race charge on every race, televised or not, should be manageable and spread the load both more equitably and more proportionately.

We do of course recognise that some tracks would incur new and increased costs as a result and that others would benefit through a reduction in their costs. The relative affordability of this proposal therefore is an important consideration because, although a rebalancing of the regulatory cost is a fair and reasonable thing to do, we have no wish to impose excessive charges on smaller tracks which have either no or very little volume of off-track betting and a limited ability to meet the extra cost.

Thus, whilst we accept that a full cross-subsidy such as currently exists is inherently unfair on those who pay, we also recognise that the capacity to pay for regulation is not uniform across all tracks and must, we believe, be taken into account under any replacement system. We thus conclude that, whilst those with the greatest capacity to pay (largely as a consequence of having televised racing contracts) should not be required to pay the whole cost, they should nevertheless be required to pay more than those without access to such sources of additional income.

We therefore recommend that the track licence fee should be restructured to include two elements: a flat fee of £3,500 per track per year; and, in addition,

a regulatory charge based on the total number of races run at each licensed track, of which there are now 30. The regulatory charge would be two-tiered with those on BAGS and/or Sky TV paying at a higher rate for televised races with all other races, wherever they occur, being charged at a lower rate.

From the figures available to us, we estimate that approximately 76,000 races will take place next year (2008). About 27,120 of these will be televised either by BAGS or on Sky TV; the remaining 48,880 will not. Thus, if the televised races were charged at a fee of £25.50 per race (half the current Transmission Licence Fee rate) and the remainder were charged a regulatory licence fee of £11 per race, the total raised would substantially replace the Transmission Licence fee¹⁰.

On average, a track currently paying nothing for regulation apart from the current Track Licence Fee would pay a new regulatory charge of between £130-£140 per fixture under the proposal outlined above. It must be for debate within the industry and its governing body whether these ratios are right and whether the differential impacts are acceptable, particularly to those tracks adversely affected. However, the principle of raising the Track Licence Fee to a more realistic level and including within it a contribution to the overall regulatory cost, seems to us to be a much fairer way of generating the necessary funding whilst reducing cross-subsidy to a level consistent with capacity to pay. However, if this approach, or something akin to it, is not adopted then either the Transmission Licence Fee will have to be retained or perhaps another, equally radical, alternative will need to be found.

Together with the changes recommended below, such a mechanism would yield the overall sum required for regulation currently derived from the Transmission Licence Fee and be adjustable annually in accordance with the actual number of races to be run. The example we have quoted assumes 76,000 of which just under 36% are televised but, if the ratio changed, it would be necessary to adjust the per-race charges accordingly.

Either way, we would not expect those paying the lower rate to recoup such extra costs through reductions in their prize money payments. We would equally hope that some of the savings which would accrue to the other tracks would be passed on to owners and trainers through increased promoter contributions to prize money.

Personal Licences

In 1989 a Professional Trainer paid a annual licence fee of £85 (£49 in 2008) and a Greyhound Trainer paid an annual fee of £99 (£43 in 2008); the fees now

¹⁰ 30 tracks x £3,500 = £105,000 + (27,120 x £25.50) + (48,880 x £11) = £1,334,240

paid by Assistant Trainers/Head Kennel hands (£11), Kennel hands (£9), Local Officials and Paraders (both £9) have risen only £3 per category in the last 19 years.

The reason given for this decline in the real cost of personal licences is that the NGRC is a not-for-profit organisation and as such, when it had surplus cash through extra income derived from the BAGS service, it was decided that the NGRC should not retain the surplus but should pass it back in the form of reduced licence fees. Thus it, the NGRC, was instructed to reduce both the licence fees to trainers and the registration fees, which were also much higher in the 1990s than they are today. This was an interesting decision, given that there has been an undercurrent of criticism that the Regulator is and has always been underfunded. There can be no doubt that such funds could have been put to good use by the Regulator and the decision not to deploy the surplus of cash which arose some years ago into better regulatory resources was clearly a deliberate one. It is hard to escape the conclusion that interests within the industry at the time must have been keen that should not happen - another example, perhaps, of undue influence by the regulated over the Regulator. It is, of course, always going to be difficult to recover ground lost in this way but the opportunity has now arisen to redress the situation and we believe that the industry must take it.

One of the more obvious difficulties is, we understand, that trainers in particular acknowledge that they paid more for their fees years ago than they do now and may even accept that they should pay more now but, it is argued, cannot afford to do so.

Having tried hard to fathom where the profitable economics of greyhound training lies, we have some sympathy with their position. Nevertheless we believe that the amount of money raised in fees from this sector is disproportionately small and that licence charges should be adjusted upwards so that a minimum of £120,000 is generated from this source annually. Based on the figures in the NGRC 2008 Budget, that could be achieved by charging a net fee £63 per year for a Professional Trainer's Licence; £57 for a greyhound Trainer's Licence; £15 for those whose 2008 charge will be £11 and £12 for those to be charged at £9. Given that a pint of lager typically sells for £3, we do not feel these proposals are excessive in real terms even if the percentage increases look high.

Training Fees

Although training fees are not a source of income to the NGRC, we are conscious that the increases we recommend above will come under scrutiny in terms of the ability of those affected to pay them. We have heard evidence that training fees vary widely and, in some cases, are charged at less than £4 per dog per day. We do not believe that this amount can possibly be sufficient to

maintain adequate standards of greyhound welfare, provide good kennel infrastructure and pay kennel staff. Indeed, we are told that some kennel staff are paid less than the national minimum wage which, if true, is not only illegal but unacceptable.

We therefore recommend that, as a licence condition, the Regulatory Board should consider setting a minimum daily charge below which licensed trainers may not offer their services to owners, having first taken cognisance of any possible competition law implications. It is for expert opinion to decide what this figure should be but we would see £5.50 or £6.00 per dog per day as a possible starting point. We are aware that fees vary nationwide and that whilst £5.50 per day may look quite modest in Southern England, it looks expensive in less prosperous parts of the country. However, the minimum wage is a national benchmark, notwithstanding regional variations in income and, on balance, we would apply the same principle to kennelling fees.

Registration Fees

It has been put to us by several witnesses that the low cost of registering a greyhound is itself part of the problem of oversupply. Evidence from Dogs Trust tells us that there is a well established relationship between the perceived value of an animal (not just a greyhound) and the attitude of its keeper. High value animals tend to be treated more carefully and their welfare better protected. Looked at simply from the perspective of purchase price, it is evident that some greyhounds are of intrinsically higher value than others. If those bought cheaply at sale or auction start off as low value animals, a registration fee of £25, or even £26, does little or nothing to enhance that value to the owner or owner/trainer.

We believe that the structure and purpose of the registration fee needs to be re-examined and that there should be a link between that fee and the principle that owners are responsible for their greyhounds in retirement.

It has been suggested that registration fees should be increased substantially with an element being put aside and retained towards meeting, or at least mitigating, the cost of re-homing the greyhound on retirement. We have given this proposition careful consideration, not least because of the degree of support in principle which it has attracted from various quarters. However, we have doubts whether the scheme would work in practice and there are two main reasons why. The first, based on the principle that the "owner is responsible for the greyhound", is that we believe that such a mechanism could and probably would incentivise some owners to abdicate their responsibility for making appropriate arrangements for his/her greyhound on retirement. Some might take the view that they had paid their "retirement deposit" at registration and thus the challenge of actually making the necessary arrangements when the time came could safely be left to someone else. It follows that the bigger the

sum involved, the bigger would be the temptation to do just that. The second reason is that we think that such a system would be extremely difficult to manage in practice.

We are nevertheless attracted by the proposition that the registration fee should be substantially increased, perhaps to £150, but that a percentage of that money, say 70%, should be returned to the owner when evidence is received that the greyhound has been sold or its future has been appropriately determined in accordance with the provisions of Rule 18. The effect would not only be to increase the net cost of registration to the more realistic level of £45 but it would also add real but recoverable value to each individual greyhound as well as generating a funding source from interest received which could be used to support the extra cost of such a programme.

It is also possible that potential owners would be deterred from buying large numbers of greyhounds of doubtful quality if they had to pay a significant fee to register the animals which quite possibly exceeded the purchase price. Furthermore, given that each greyhound would have a realisable value on proof of sale or retirement, such a scheme would also provide an incentive to owners and owner/trainers to comply with the relevant regulations for the notification of such events.

We recognise, of course, that there would be an additional administrative cost because it would be necessary to keep a separate account for registrations and transfers, given that some 12,000¹¹ of these events occur annually and that money would be going out as well as in. However, we believe that such a registration programme, linked to retirement, could have significant welfare benefits for greyhounds and that it, or something very like it, should be put in place by the new governing body as a high priority.

Total Licence Income

If the proposals above were to be adopted, income from licence fees would match the current figure of just over £1.91 million, comprising £1.33 million from track licences including regulatory fees, £120,000 from personal licences and £459,600 from registrations and ownership transfers. Given that the new 2008 rates for personal licences and the Transmission Licence were announced early in November 2007, it is for consideration that our recommended fee structure should be introduced in January 2009.

¹¹ Approximately 10,000 registrations and 2000 transfers

Future Administration Costs

We do not assume that short term savings in the current cost of the administration of the NGRC and the BGRB can be taken. However, it seems likely that a single governing body will be able to achieve synergies which do not currently exist (for example, one chief executive and co-located premises) and will perhaps spend less on legal and associated fees than is currently the case and which would, in future, be better deployed elsewhere. This should create the headroom necessary to fund the additional field staff required.

The British Greyhound Racing Fund – A Proposal

The BGRF is something of an enigma. We have described it in outline earlier in this Report and reflected there the very positive evidence we have received about the efficiency with which it functions. However, we have also heard it described as “dysfunctional” which view, we think, reflects more upon its spending decisions and the processes that lead up to them rather than the mechanics of its operation. For example, the recent evidence we have seen of internecine backbiting in the run up to the setting of the 2008 budget during October has been disheartening and demonstrates beyond doubt why the current governance and regulatory structure needs to be reformed.

The BGRF is a limited company in its own right and is thus a quite separate entity from either the NGRC or the BGRB. In addition to an independent chairman, it has a Board of 13 Directors, seven of whom are nominated by the BGRB and who are also members of the BGRB Board. The remaining six directors are nominated by the betting industry. The Board meets four times each year and there is in addition a BGRF Board Committee which also meets four times per year. The Board Committee comprises the chairman sitting with three BGRB nominees and three betting industry nominees. This Committee meets to consider such smaller requests for expenditure as may be submitted between full Board meetings (up to £200K for a single item or a maximum of £500K for the whole meeting).

The GBGB structure which we have recommended has, for sound governance reasons, moved away from the concept of a stakeholder Board as the governing body of greyhound racing to a more independent Board whilst maintaining a strong but minority stakeholder presence. Therefore, unless radical change is made to the current budget process and structural relationships described above, it is possible that any progress made towards establishing the necessary degree of independence on the part of the governing body could be frustrated.

In 2006 the Fund disbursed £11.135 million. The main areas of expenditure were Prize Money Support at £3.081 million; Welfare (however defined) at £2.92 million; Grants to Stadia at £2.013 million; Integrity spending at £1.68 million; and Marketing at £1.056 million. The remainder was spent on

Trainers Assistance, £175,000; IT Development, £125,000; and Breeders Prizes & Miscellaneous, £102,240.

We are not qualified to comment authoritatively on whether these priorities are correct or not, although given the state of IT facilities in an organisation which is, or should be, dependent on effective and efficient systems, the sum of £125K seems woefully inadequate. Furthermore, we cannot escape the overwhelming weight of evidence which holds that capital grants to stadia (50% of total capital cost), recommended by the BGRB's Commercial Committee, supported by the BGRB's stakeholder Board, albeit after endorsement by the Budget Committee, and finally approved by a stakeholder-led BGRF Board is less than transparent. Even so, the RCPA have argued cogently that it is necessary to maintain these grants in order to provide the top-class facilities needed to attract paying customers to watch greyhound racing and thus to help the industry survive and prosper.

We have also heard evidence which maintains that grants should not be used for the refurbishment of restaurants, bars, car parks and other customer-oriented facilities at all. It is held that these are part of the costs to be expected in running a business based on sport and entertainment and that there are, in any case, higher priorities to which the funding available from the voluntary levy should be applied. On balance, we agree with this general proposition and would prefer to see grants made available only for projects which were directly associated with improving or updating the environment and conditions for the racing greyhound. For instance, traps, track surfaces, veterinary facilities, air conditioning at track kennels and the kennelling facilities themselves would be examples of what might fall into this category.

We have heard other evidence which suggests that grants should not be made at all but that such funding should take the form of interest-free loans, such as are available from the Horserace Betting Levy Board to horse racecourses.

This is not as simple as it might at first sight appear because the apparent parallel does not actually exist. The HBLB's Capital Fund derives from the sale of racecourse properties some years ago (United Racecourses Ltd) and is truly a pool of cash which is maintained by making loans which are then repaid, whilst simultaneously accruing interest on any sum which may from time to time be on deposit. There is no such fund available to greyhound racing; it must instead meet such commitments as it deems appropriate out of a voluntary annual revenue stream supplied by the betting industry. It could, in theory, accrue such a fund if it chose to do so by "putting aside" sums of money each year and building a capital fund of its own. However, this is neither tax efficient nor, given the demands on the funding that is available, a practical alternative.

However, the reality is that the money accruing to the BGRF is given on a

voluntary basis by bookmakers and there is no statutory limitation on what that funding may be used for; instead, the authority lies with the Board of Directors from time to time appointed to allocate the funding as they see fit, following the budgetary process described above.

It is our view that the GBGB, as the new governing and regulatory authority, should have full control of, and responsibility for, its own income and expenditure. That would allow the Board, like the board of any normal commercial organisation, to decide its own priority areas for expenditure and to allocate its resources accordingly.

We would therefore recommend that, in due course, the BGRF be disbanded and that monies accruing from the greyhound levy should be made available to the GBGB, thus providing it directly with two main sources of income: the voluntary levy and the fees raised from licensing discussed above.

We are of course aware of the need to preserve the commercial confidentiality of those bookmakers who currently contribute to the Fund and recognise that some or all of them would object to making payments directly to the GBGB and would thus not do so. We would therefore envisage that an accountancy firm of the bookmakers' choosing should be appointed to receive the income from contributing bookmakers and then disburse it to the GBGB.

The accountants, together with the GBGB and the bookmakers' representatives, would also need to replicate the process whereby the likely income for the following year is assessed so that the Board could set its budget.

We think that the voluntary nature of the contribution made by the bookmakers entitles them to transparency in how that money is expended and an input into the decision-making process. Therefore, we recommend that the GBGB Chairman's Executive Committee, or its Finance sub-committee¹², should make an annual presentation to the bookmakers' representatives before submitting the budget to the main board for approval, thus enabling the contributors to satisfy themselves that the processes and priorities are fair and reasonable before the budget is finally set. There is, of course, no reason why ad hoc meetings should not be called at any time should the need arise.

The BGRF – An Interim Position

We realise that, if adopted, the reforms and restructuring we have recommended through this Report will take a good deal of management time, money and organisational effort to deliver. As a consequence, we believe that, whilst the full integration of the financial management of the sport should take

¹² See Chapter 9

place along the lines we have described, to make so many radical changes simultaneously may render an already difficult task much more complex. Furthermore, and as importantly, it may provide opportunities for obfuscation and delay in executing what we perceive to be essential first step of establishing the GBGB as a single governance and regulatory organisation.

Noting the nature of the Fund, we also accept that many bookmakers will wish to see that the new structure is functionally efficient and transparent and that the monies provided through their contributions are used cost-effectively and to the benefit of greyhound racing. In short, the new structure will need to demonstrate, not only to those who contribute to the Fund but also to a wider public, that it can manage the sport competently and effectively and that their expenditure decision-making processes and prioritisation are financially sound.

BGRF Board

We therefore recommend that, for an interim period from the formal establishment of the GBGB, the BGRF should continue to operate but in a reduced form with re-ordered priorities; the length of this period would need to be agreed between the two Boards but should not, in our view, be unduly long and should not exceed 2 years. We are not convinced that the current spending on the maintenance of separate office space can be justified under the new arrangements and thus recommend that the BGRF administration should be co-located in-house with the GBGB headquarters although, for the time being, separate from its management structure and with its own finance/accounting package and mail handling facilities, needed to maintain the commercial confidentiality of the donor bookmakers.

Taking the current Board Committee as a model, we recommend that the full Board of 14 should be reduced in size by 50% and should reflect the current balance of the Board Committee; that is, an independent chairman sitting with 3 members nominated by the GBGB (to include one regulatory director) and 3 members nominated by the betting industry.

Spending - Welfare

We are advised that the current Board is already reviewing its spending priorities and we welcome this. We are not privy to the budget allocations recently agreed but make the assumption that Welfare will once again be among the largest areas of expenditure. This must be right and we have been told that there is no bar to an increased allocation within the existing budget if that can be justified. However, we know that there has been discussion about what legitimately constitutes expenditure under the heading of Welfare and believe that a clear policy on what is and what is not permissible should be devised and published in the BGRF Annual Report.

Spending - Integrity

We believe that the Integrity budget, including the drug testing programme, remains a high priority and one in which the betting industry has a legitimate interest. We are told that there have been recent disagreements between the NGRC, the BGRB and the BGRF about the budget allocation in support of this area of expenditure. We are not qualified to comment on the relative merits of the argument but are of the view that a comprehensive, well publicised drug testing programme is not only vital to the integrity of the sport but also to its public persona and reputation.

In general, and if practically possible, we believe that expenditure on Welfare and Integrity should be top-sliced from the budget and the needs of these crucial areas should be met ahead of other priorities. We recognise that this is a matter for the BGRF Board but would expect it to take account of the views of this Report and of the GBGB Board in reviewing this proposition.

Spending – Prize Money

We have heard directly contradictory views on the importance of prize money and the size of the annual contribution from the Fund. There are those who believe that the Prize Money Support contribution is crucial to the health of the sport at grass roots level and those who believe it makes little difference. Either way, at just under £3.2 million, it was the largest single allocation from the BGRF in 2006. However, since the total prize money paid in 2006 was a little over £16.4 million, this contribution still amounts to less than 20% of the whole.

What we have noticed is that, very much like horse racecourses, any increased support contribution from the centre is often matched by a reduction in the executive contribution made by the racecourses themselves so that there is no real net benefit to the grass roots from an increase in the central grant. This is to be regretted and should, we believe, be a factor in the decision-making process through the Committee stage when recommendations as to the prize money support allocation are being developed – if it is not already.

There is more than one mechanism which can be applied to a prize money distribution formula. A grant conditional upon a matched guaranteed ratio is one; and a “merit table” system is another, which takes into account contributions by the executive and the amount of sponsorship raised by each racecourse in deciding individual prize money support allocations. Both are worth considering in this context but, with the BGRF contribution hovering at around 20%, it is important not to overstate the importance of this issue.

Spending – Racecourse Improvements

We have already expressed our views about the allocation of grants to stadia and the purposes for which they are applied. We believe that a full review of the policy is needed and that grants should be directed towards projects which are directly of benefit to the greyhound. Some or all of such projects may also be attributable to “Welfare”. In 2006, £5,983,880 was distributed by the BGRF under the combined headings of Welfare (£2,902,880) and Racecourse Improvements (£2,013,310)¹³. From the listings, it would appear that less than £250,000 from the latter allocation was spent on grants for such greyhound-related items as starting traps, track work, kennels, hare rail etc. There may be a case for dividing the expenditure under this item and allocating most or all of it either to welfare (to include relevant research), integrity or prize money to ensure that these more important priorities are satisfied first. This will be for the GBGB Board to take a view on as it forms recommendations for the BGRF Board to consider.

Other Heads of Expenditure

We observe that there is a significant grant allocation towards marketing and that lesser amounts go towards IT development, assistance to trainers and breeders prizes amongst other modest items. These are matters for the Board to prioritise but we believe that IT development might be more appropriately allocated between the welfare and administration budgets depending upon the application in question.

Grants - General

There is some opacity on where money granted by the Fund to support capital projects actually goes. Although we have no doubt that the majority of such grants are properly spent, we are advised that there is no mechanism for detailed checking and that it is possible therefore for some of the monies to “leak” into other areas of expenditure. If true, this is unacceptable, if not fraudulent, and we strongly recommend that proper safeguards be put in place as a matter of urgency to ensure proper accountability for all monies disbursed by the Fund.

We are aware that the grant structure currently provides for a 50:50 matched funding contribution to a particular project. We see no reason why the Board should not be free to exercise discretion in deciding the size of any grant, perhaps taking account of the cost of the project considered against its merits, ie, whether it is an essential or just a desirable improvement and the benefits which would accrue. Whilst recognising that such flexibility would probably

¹³ BGRF Annual Report 2006

start by leading to every bid being for 100% grant funding, a more sophisticated system would actually allow the Board to decide each case on its merits. We think this idea is worth pursuing.

Conclusion

We strongly recommend that these proposals are accepted because we believe that a more transparent and less contentious budget process would result. The GBGB would be in a position to set its own income targets in terms of licence fees and, once the expected income from the levy was known, to decide in the best interests of the sport how the totality of income would be deployed against priorities decided by the Board and, in the interim, agreed by the BGRF.

Once such a process was established, it would be for the various interests within the sport to make their respective cases for access to the available funding, just like any other commercial organisation – as we note above.

Such a mechanism would, in due course, transfer control of the funding to the sport's governing body. We think that is as it should be – but only when the governing body has the degree of structural independence and freedom from stakeholder control that we have recommended elsewhere in this Report.

We recognise that contributing bookmakers have a legitimate interest in the disbursement of the monies they pay into the Fund and would expect that the interim arrangements we have proposed will be sufficient to ensure their continuing confidence that such monies are being appropriately and responsibly spent. They will also note that we have provided for their continuing involvement when the final stage of integration is achieved. We think that the wide ranging reforms we are proposing will, if accepted, lead to a more efficient and accountable industry. According to the 2006 BGRF Annual Report, only some 37 bookmaking firms contribute to the Fund. They are to be applauded for accepting their moral responsibilities in so doing. But it is a sad reflection that the number is so low, given the popularity of the product and the affordable level at which the contribution is currently pitched.

This should also provide an opportunity for that majority of bookmakers who decline to contribute to the Fund, despite benefiting from the tax reduction from which it initially derived, to review their position, accept the modest, tax deductible, cost and follow the recommendation of their trade associations to contribute to the Fund. They should do so in the knowledge that their money should not be used to refurbish car parks and bars but will be applied mainly to greyhound welfare and integrity measures, both of which are high on the betting industry's agenda.

Under such re-ordered priorities, it should be possible to see contributing more as a matter of enlightened self-interest than unwelcome imposition.

PART 4

ISSUES RELATING TO THE NEW

GREYHOUND REGULATOR

Chapter 11

REGULATION AND THE ANIMAL WELFARE ACT 2006

Introduction

During the passage of the Animal Welfare Bill in 2005, the Sunday Times publicised the events which took place at Seaham, County Durham, in which, it was alleged, large numbers of ex-racing greyhounds were being killed in circumstances other than those provided for under the Rules of Racing.

Although not, in itself, illegal, the proven killing of at least two greyhounds in this incident led to a significant expression of public disgust and consequent pressure on the Government to introduce primary legislation, during the passage of the Animal Welfare Bill, formally to regulate greyhound racing as a publicly licensed activity. Whilst accepting the need to address animal welfare issues in the context of greyhound racing in the longer term, the Government resisted immediate recourse to a licensed environment at that time, choosing, whilst not ruling out licensing, to take time to consult with interested parties and consider whether there were preferred options. Notwithstanding the outcome, however, the Government undertook to introduce secondary legislation laying down Regulations specific to greyhound racing and welfare by 2009; it is intended such legislation will therefore be introduced in either April or October of that year.

Defra officials are consulting with the BGRB, NGRC, welfare groups, LACORS¹⁴, the independent track operators and others in the preparation of their legislative proposals. The Department has also invited the Review Group to submit its views on possible future regulatory measures and this section addresses that request.

It has been put to us in evidence by a leading commentator that an owner has sole responsibility for his greyhound and that there should thus be no requirement to account for its whereabouts to the NGRC or anyone else. *“Why should I tell them anything? It is my dog”* was the exact quotation.

On the face of it, this is a reasonable question; in the normal course of events, no-one has to account for the whereabouts of the family labrador. However, it ignores the fact that greyhound racing is, to a great extent, a vehicle for betting and there is, unfortunately, plenty of evidence that many greyhounds that cannot make the grade disappear from view and that some of these perish in the most unsatisfactory circumstances.

¹⁴ Local Authorities Coordinating Office for Regulatory Services

Whatever the opinion of an individual owner or trainer may be, the fact remains that the general public, and the Government on their behalf, find these practices to be unacceptable. Therefore, those that wish to be involved in the breeding, owning, training and racing of greyhounds must accept that their sport is, insofar as it is a freely available betting medium, a public activity and that the public expects the sport to be accountable, both in terms of the integrity of the racing itself and the welfare of the greyhounds involved. Furthermore, accepting that greyhound racing is a social activity as well as a betting medium, means those that pay to go racing are entitled to expect that the greyhounds they have paid to see are properly treated.

Put bluntly, given its history, the greyhound racing industry has to do more than might otherwise have been necessary to promote a wide understanding that it is running an honest and honourable sport in which the welfare of the greyhound enjoys a proper priority.

Regulatory Background

Under the Animal Welfare Act 2006 (AWA), anyone responsible for an animal, whether on a permanent or temporary basis, becomes a “person responsible to ensure welfare” in respect of that animal. This responsibility is more usually referred to as a Duty of Care and it applies to all animals. An animal’s needs are defined as follows:

- a. its need for a suitable environment;
- b. its need for a suitable diet;
- c. its need to be able to exhibit normal behaviour patterns;
- d. any need it has to be housed with, or apart from, other animals;
and
- e. its need to be protected from pain, suffering, injury and disease.

Bearing in mind that the above far reaching provisions already apply to all animals since the AWA came into force earlier this year, it seems likely that the greyhound Regulations which will flow from the Act will address the detail of how these headline objectives are to be achieved in the context of greyhound racing.

It is evident that the NGRC’s Rules of Racing already cover a number of the Act’s objectives and it seems likely that the Rules could be adapted to meet all of them without too much difficulty. However, it is worth pointing out that the AWA and the Regulations which will follow are about animal welfare alone; whereas the Rules of Racing have evolved to cover a range of regulatory objectives, of which welfare is but one – albeit perhaps the most important if the sport is to survive and thrive.

However, of the 43-45 greyhound tracks currently operating in Great Britain, only 30 are licensed by the NGRC and thus bound by the Rules of Racing. The remainder are tracks which are not and may not wish to be licensed by the NGRC and which operate independently of it. These tracks, although required to comply with all national and local legislation pertaining to the sale of alcohol, betting, health and safety etc, are not required to comply with the Rules of Racing and are thus, from a greyhound racing perspective, wholly unregulated - or were, until the AWA came into force. Now, although still not specifically regulated as such, the independent track operators and those that race their dogs at such tracks, are bound by the Duty of Care provisions which apply to all those with responsibility for one or more animals and are thus already vulnerable to prosecution if they fail in that Duty.

It is arguable that if there were Government liaison with greyhound racing's Regulator over the Rules together with an improvement in the resources available to that Regulator for tracking and enforcement, that could, in all likelihood, deliver the objectives of the Act as far as greyhound racing in the licensed sector is concerned; it must therefore, be a matter of conjecture whether there would be a need to introduce secondary legislation at all, were it not for the unregulated sector.

However, we are where we are and the Government is committed to secondary legislation specific to greyhound racing which will apply to all tracks, whether or not they are licensed under the Rules of Racing. It is therefore an imperative, already recognised by Government, that the Regulations must impose a common, uniform welfare standard across all greyhound racing. It would be unwelcome if these were significantly lower than those currently demanded under the Rules of Racing. It therefore needs to be recognised that the Regulations will, in effect, be the lowest common denominator which spells out the minimum legal standards of welfare which must be maintained in greyhound racing; if they are to be effective in delivering improved welfare, it is important that these standards are not set too low.

However, it is also intended that the Regulations will be supported by Codes of Practice which, although not statutory in themselves, will be approved by Parliament. Thus, an alleged failure to comply with the Code is admissible as evidence in any prosecution brought under the AWA or the Regulations.

There is also the issue of UKAS accreditation to be considered. We are not experts in this field but we are aware that the NGRC has worked assiduously towards accreditation and we are strongly of the view that this must continue to completion under the new GBGB structure. Whilst there may be no direct link between the forthcoming Regulations and UKAS accreditation, it will be necessary to set standards of sufficient quality and degree of enforcement to ensure that a meaningful framework is in place to provide for a genuine improvement in the welfare of greyhounds.

Options For Regulation

Having elsewhere in this Report opted for a greyhound industry which is essentially self-regulating but which must operate within a statutory framework, it is essential to address how the independent sector can fit within that statutory framework sufficiently tightly to ensure that self-regulation among the independents can be effective in delivering improved greyhound welfare. In practice, this means track by track since there is no overall governing or representative body in the independent sector although, we understand, one may be emerging in the form of the Independent Greyhound Racing Association.

Although possibly reluctant to do so, it seems inevitable that local authorities will need to become involved, at least in the regulation of the independent tracks; it may not, however, be axiomatic that local authorities will need to become involved in the regulation of licensed tracks and we look further at this proposition below.

There may be a number of different routes by which an appropriate legislative framework can be achieved but they would appear to coalesce into three main options: conditional registration by all tracks with their local authority; a full local authority licensing scheme for all tracks; and a hybrid scheme whereby tracks regulated under the Rules of Racing (currently NGRC tracks) would not require to be either registered with or licensed by their respective local authority, whereas independent tracks would be subject to such registration or licensing.

In reviewing these options, we make the assumption that tracks which currently race under Rules will be compliant with the requirements of the Regulations, or very close to being so. The GBGB and its Regulatory Board will, when the draft Regulations become available, wish to review the Rules of Racing to ensure that the two are compatible and to amend where necessary to ensure synergy. We therefore start from the point that a mechanism needs to be found whereby the expertise and experience of the regulator is harnessed to best effect across the sport as a whole in support of the legislation.

Conditional Registration.

As we understand this proposal, conditional registration would require all tracks to register with their local authority for the purpose of greyhound racing before they could operate. Such registration could be revoked if a track did not meet the registration conditions. This approach would, we think, have certain attractions in the sense that registration would provide a “light-touch” solution, but it is not clear what the conditions of local authority approval would be and how or by whom they would be enforced.

In general terms, we would expect that Defra, or perhaps LACORS, would issue Guidance to Tracks detailing the required welfare standards prior to the registration date given in the secondary legislation. However, it seems that an application for initial registration would not automatically attract a pre-registration inspection from the local authority concerned. Without a pre-registration inspection, it would be impossible to know whether a track was compliant on the date on which the Regulations came into force; it would thus be possible for non-compliant tracks to operate illegally until such time as they were the subject of a routine inspection, if ever, or an inspection occasioned by a report from an animal welfare body or other member of the public. This would not, in our view, be a convincing start to the new regulatory environment but, more importantly, would seem unlikely to be sufficiently stringent to meet any accreditation criteria.

Local authorities are undoubtedly expert in many areas of registration, licensing and enforcement already, including zoos and riding establishments. In this instance, the conditions of the licence/registration would need to be clearly set down and would be likely to cover scenarios which local authority officers are generally familiar with assessing. The regulations would cover conditions at tracks, such as track surface condition, kennels and veterinary presence, most of which would demand the same expertise required to licence other animal establishments (except track surface condition). We are advised that local authorities are used to assessing the welfare of a range of animals, and are particularly used to dealing with dogs. Indeed, where necessary, enforcement officers already call on the expertise of vets. Other issues relating to greyhound racing, such as gambling and service of alcohol, are, of course, already licensed by the local authority.

As far as track surface condition is concerned, we are advised that LACORS is used to developing guidelines for use by local authority enforcement officers in cooperation with the relevant industry bodies. Whatever system is adopted, liaison between the Regulator and LACORS will be needed to ensure that this actually took place.

If possible, we also think it appropriate that compliance with the relevant clauses of the Code of Practice should be a condition of registration or, indeed, licensing. Not all elements of the Code will be applicable to all greyhound tracks, but compliance with those that are should be strongly encouraged.

There is also the question of costs. Local authorities would need to cover the costs incurred by the need for pre-registration inspections, subsequent inspections at intervals of their choosing (annual?), any response they might have to make if asked for advice/guidance by the tracks, members of the public or welfare organisations. Experience indicates that these costs will vary widely across the country but they are likely to be significant and, for those tracks currently regulated by the NGRC, incremental to the sums already paid to the

industry regulator. Greyhound racing is not a wealthy industry and this could provide an incentive for some to withdraw from the sector currently regulated by the NGRC in favour of “going independent” under local authority registration rules, if that turned out to be a cheaper option.

Full Licensing

Licensing by the local authority is, we understand, the route likely to be taken in Wales. However, since even now greyhound racing in Wales takes place on only two independent tracks, the authorities there are addressing a relatively smaller task. In any event, it seems to us that the issues associated with licensing and registration are broadly similar: both will require some form of inspection regime which, although likely to vary from authority to authority, will be bound to place an additional burden on the local authorities concerned; this in turn implies additional cost to the tracks. Nevertheless, we consider on balance that licensing is preferred to registration because it will require a more formalised regime of inspections. That said, it will be essential to guard against creating an expensive, over-weaning bureaucracy at local level with widely varying attitudes to enforcement across the country.

A Hybrid Solution

Under this proposal, tracks would either have to be licensed by the relevant local authority, or licensed by the GBGB. In the latter case, there would be no local authority involvement at all and thus no incremental expenditure in respect of local authority fees. The NGRC has no statutory powers now, nor will the GBGB have in future; however, its licensing and inspection regimes are already stringent and will be made more so if necessary in order for both to meet accreditation criteria and ensure compliance with the Regulations. Such a structure would have the effect of leaving the licensed tracks as effectively self-regulating, whilst at the same time limiting local authority involvement to enforcing the Regulations at the independent tracks.

Clearly, close co-operation and co-ordination would be required between the GBGB and, we assume, LACORS on behalf of the local authorities to ensure a consistent approach to licensing and enforcement of welfare provisions. It would be quite wrong if different welfare standards were imposed on the different sectors. Clearly local authority enforcement officers would not attend every unlicensed meeting, so the prime responsibility for ensuring proper welfare provision would fall to the track operator and his veterinary surgeon.

There is also the issue of the identification and recording of greyhounds running at unlicensed tracks, to which address more detail in the next chapter on Independent Tracks where, inter alia, we discuss a new Stud Book Name scheme. It is for consideration under the Regulations that it should actually be a requirement that any racing of greyhounds, licensed or unlicensed, must take

place using Stud Book Names. This would allow for proper welfare transparency and no risk to participants for reasons given in detail in the following chapter

It is possible that a service level agreement between the regulator and the local authorities concerned would provide a basis for the sort of interactive arrangement which would be required for enforcement on all tracks.

A structure such as this would, of course, bring with it a cost of regulation which would for the first time include the independent tracks. However, because it relies to a great extent on the existing structure, extending only as far as is necessary to include the 12 – 14 independent tracks, we think it would probably be the cheapest as well as the easiest option to implement. It has the obvious attraction that each track would be paying only one authority and, furthermore, that a good, consistent standard of enforcement should be readily achievable across the industry.

We are informed that local authority licence fees are calculated according to the costs of administration and enforcement and that LACORS is currently undertaking research into the current animal establishment licence fees charged by local authorities. Once complete, guidance for local authorities on the calculation of licence fees will be drafted by LACORS. We welcome this initiative. The future of the independent sector will be dictated largely, if not entirely, by the requirements of the Regulations and the costs that compliance will impose. Some of these costs can be calculated readily in advance by the tracks themselves once they know the regulatory requirements but local authority costs will remain an unknown factor until this research is complete and the results made public.

Topics For Regulation

Breeding

We recommend that any person who breeds greyhounds in Great Britain for the purposes of racing in the United Kingdom or elsewhere should be required to register that activity with the GBGB. A non-statutory link would be necessary between the Keeper of the Greyhound Stud Book, where births are registered, and the GBGB. However, a close relationship already exists between the Stud Book and the NGRC and we do not expect that this would give rise to any practical difficulties. For further discussion on issues around breeding, see chapter 13 below.

Registration

One of the main welfare issues which bedevils the greyhound racing industry is the number of dogs which go missing either before, during or after their racing

careers. Estimates vary as to the numbers involved and the APGAW Report made a number of helpful estimates and assumptions in this respect; we have no reason to doubt or challenge their findings. The important point, however, is that we do not know what the numbers actually are and that state of affairs is unacceptable to the general public. The objective for the whole industry, therefore, should be to institute a regime whereby, through registration, record keeping and tracking, the identity and location of a greyhound is known from birth until retirement, including what happens to each greyhound at the point of retirement.

As far as British-bred greyhounds are concerned, the first gap appears in the months between earmarking (at 12-15 weeks) and registration with the NGRC for racing at around 15 months. For example, evidence provided to us indicates that, although 4,481 greyhound puppies were earmarked in 2005, only 2,461 greyhounds were registered for racing in 2006. Of course, there are overlaps year on year and it does not follow that each of the 2,461 registered in 2005 was one of those earmarked in 2005. But, since no-one is able to explain the discrepancy convincingly, it is evident that a large number of puppies are unaccounted for each year between earmarking and registration. It is true that the annual number of earmarkings has declined between 2003 (6087) and 2006 (3448), whilst registrations have remained roughly the same at about 2,600 each year. However, the discrepancy remains and requires resolution.

We therefore recommend that the Regulations require for the registration of all greyhounds with the GBGB at the point of earmarking and that, as a consequence, the breeder/trainer becomes accountable for each greyhound in his or her ownership or care. Thus, if a puppy, once earmarked, proves unsuitable for licensed racing, it will be necessary to demonstrate to the licensing authority what arrangements have been made for that animal's future in accordance with the provisions of Rule 18.

An on-going requirement under registration would also oblige the owner, or other person with responsibility for each greyhound, to maintain a record of all on and off track veterinary treatment undergone by the animal, including a record of all immunisations and other medication administered to it.

We also recommend that it should be a condition precedent under the Regulations that only greyhounds registered on the national database can race, whether under Rules or at independent tracks. This means that, if any person wants to own a greyhound for the purposes of racing, that greyhound must be registered with the greyhound racing authority. This should not be difficult to achieve with British-bred greyhounds if they all have to be registered at the point of earmarking as recommended above.

Of course a far larger number of greyhounds are earmarked in the Republic of Ireland and then imported to race in Great Britain. We are advised that it is not

possible to legislate to restrict the flow of greyhounds from Ireland; however, if it were to become a legal requirement on a buyer to register the greyhound on acquisition, with the consequential registration fee payable at the same time, the incentive to make speculative purchases would be reduced. It would, in effect, become an offence to own an unregistered greyhound.

Once registration of all greyhounds is in place, it becomes practical, with the correct IT infrastructure, to maintain a record of their subsequent movements. We discuss the areas where we think IT capabilities are not yet sufficiently developed elsewhere but the Rules already require the notification of ownership changes through an NGRC-registered greyhound's life; this provision would have to be extended to all greyhounds and not just those racing under Rules.

When a dog reaches the end of its racing career, for whatever reason, we also envisage a mandatory requirement to de-register the animal and provide details as to what has happened to it, be it euthanasia, re-homing or retirement with, in the latter cases, evidence of the name and address of the new location. It is a function of the Rules of Racing that a greyhound may only be euthanized by a veterinary surgeon. It is not self-evident that such a provision could be translated into law whilst alternative methods, such as the use of a captive bolt by any person however unacceptable that may appear to be, remain a legal mechanism for the destruction of other breeds of dog, though seldom used.

Veterinary Attendance at Race Meetings and Trialling

Although currently a requirement at a licensed track, there is no legal obligation to have a veterinary surgeon in attendance at a track when racing or trialling is taking place. Given that greyhounds are prone to injury when racing and thus, in many cases, in need of immediate treatment, it would seem to be a basic tenet of good regulation and animal welfare that such treatment should be available on all occasions at which racing and/or trialling is taking place.

We therefore recommend that the Regulations should require that an appropriately qualified and accredited vet should be in attendance from the time that the first greyhound arrives for kennelling at a track until half an hour after the last race. It follows that the Regulations should also require that the vet is provided with the exclusive use of appropriate secure accommodation and facilities. It is for consideration whether the type and level of facilities provided by the tracks should be a matter for Regulation, the Code of Practice or within the purview of the regulatory authority to agree a standard between the track vets and the tracks themselves. As indicated in our sections on the Role of Veterinary Surgeons in Greyhound Racing and on Independent Tracks, we tend towards the latter, unless it proves unworkable in practice in which case stronger provision would be needed.

We further recommend that such track vets be required under the Regulations to examine each greyhound prior to racing or trialling, keep records regarding injuries to and treatment of greyhounds occurring between the time of kennelling to the time the greyhounds leave the track, including records of all fatalities and the transportation of injured greyhounds. It should also be a requirement that all such records are certified as accurate by the vet concerned and forwarded to the greyhound regulator, irrespective of whether the track is a licensed track or not. It would then be for the regulator to investigate any anomalies in the case of the former and to alert the relevant local authority in the case of the latter.

The publication of anonymised injury statistics to alert the industry to prevalent injuries and their likely causes would be a desirable function of the regulatory body but not, we think, a matter for legislation.

Kennelling at Race Tracks

Before the passing of Regulations in respect of kennelling at tracks, it needs to be established whether this is a measure aimed at the welfare of the greyhound or at maintaining the integrity of the racing.

It is important to recall here that betting integrity and welfare may overlap in places but they are not always the same thing. The regime at a licensed track is aimed at eliminating cheating, either by giving substances that enhance or degrade performance; or that mask pain and thus enable a greyhound to run when it is injured. Whilst some substances aimed at influencing performance may be harmless to the greyhound (e.g. water or dog food) and thus may not be a welfare issue at all, the administering of others, or of a pain killing substance so that an injured dog can run, is always going to be a welfare issue.

As we understand it, one of the main purposes of kennelling is to ensure that greyhounds are kept in a secure environment during the period immediately before they race, thus eliminating or at least substantially reducing, any substitutions or other performance-affecting interference taking place. We would argue that, if such kennelling is a requirement in order to comply with the Rules, then provision of appropriate kennelling becomes a greyhound welfare issue and thus worthy of regulation in respect of ventilation, space and ambient temperature max/min criteria. However, where kennelling for integrity purposes is not a requirement, such as at many if not all independent tracks, it is not evident that compulsory provision for its own sake is justified. However, where the track operator does provide kennelling, it should be to the required standard. Thus, the welfare demands of the Regulations would apply equally to both licensed and independent tracks.

Kennelling at Training and Breeding Establishments

We have heard much evidence about poor kennelling facilities at some training and breeding establishments but members of our team have also visited kennels which evidently provide high quality facilities. This leads us to believe that standards vary widely across the industry and we recommend that minimum standards for kennelling and other built accommodation used for the purpose of keeping or housing greyhounds should be laid down in the Regulations. Provision should also be included in the Regulations, enabling independent inspections to take place on behalf of the regulatory or local authority as appropriate at any reasonable hour without notice.

The Use of Drugs

It is worth remembering that as far as the use of performance enhancing or performance degrading drugs to affect the outcome of a greyhound race or trial is concerned, the provisions of the Gambling Act may be as or more relevant as any Regulations emanating from the AWA. As is well known, the objectives of the Gambling Act include keeping crime out of gambling and ensuring that gambling is conducted fairly and openly. Clearly the act of running a greyhound at an event on which gambling is taking place, which has been given drugs in order to affect its performance is in breach of the second of those objectives and, depending upon the specific circumstances, quite possibly the first as well. We therefore recommend that, should the Department be minded to legislate for drug misuse, liaison with the Gambling Commission to ensure mutually supportive Regulations would be a useful exercise.

Rule 217 of the Rules of Racing proscribe the use of any medicines, tonics or substances which can affect the performance or well being of a greyhound when taking part in a race or trial. Certain exceptions, such as oestrogen suppressants, anti-parasitic drugs or vaccines, are permitted. Rule 218 goes on to describe how the residue of anti-bacterial drugs and stained meat products should be treated under the Rules. As far as the AWA is concerned, it is for consideration that these Rules should be translated into the Regulations, whereby any breach would constitute a criminal offence.

Enforcement, particularly at independent tracks, would however be a difficult issue. A drugs testing regime is in place at licensed tracks, funded by the BGRF, mainly in the interests of integrity. It is our view that the incidence of random testing should be increased but that in itself is a matter of cost, both in terms of people to carry out the work and paying HFL for the process itself. It seems likely that any provision for random testing at independent tracks would have to be backed by the Regulations to enable local authority inspectors, together with a sampling steward from the regulatory authority, to gain access to the venue and to take samples. This would entail cost and it is unclear, in the absence of BGRF funding to which the independents do not have access,

who would be required to meet this cost. Any drug testing regime would also, we believe, have to be very specific in terms of samples used (blood, urine etc), the methodology of testing and the nature of the establishment which carried out the function, although we think that, in practice, HFL is the only facility available for this purpose.

Transportation

Section 9 of the Animal Welfare Act requires that an animal's needs are met in respect of providing it with a "suitable environment" and in our view this provision applies whenever a greyhound is being transported by road or otherwise. It is arguable that EC1/2005 and the Welfare of Animals (Transport) Order 2006 (WATO), which covers anyone transporting live vertebrate animals in connection with an economic activity, already provides for this and the RSPCA has given evidence that they have in the past mounted successful prosecutions in respect of greyhound transportation under that legislation. Where WATO does not apply, animals, including greyhounds, will still have to be transported in a way which meets the conditions of the Animal Welfare Act. Furthermore, in the event that a greyhound were to be transported by air, the International Air Transport Association (IATA) publishes standards for the air transportation of all animals, including dogs.

Nevertheless, it has been put to us that regulations are required specific to the transport of racing greyhounds by road.

It has been suggested by some witnesses that the IATA standards for the transport of dogs by air should be reflected in the Regulations and applied to the transport of greyhounds by road. Whilst we understand this point of view, it seems to us to be disproportionate to compare the needs of a dog experiencing what could be a lengthy transcontinental flight lasting many hours in the unfamiliar environment of an aeroplane, to that of a greyhound undertaking a routine trip to and from a track in a familiar vehicle which may last no more than a couple of hours and sometimes very much less. Of course, the reverse may also apply (ie, short flight, long road journey) so the important objective is to get the size of the cages right – a point to which we return later.

Furthermore, opinions vary as to what constitutes a "suitable environment" in the context of the road transportation of greyhounds. For example, it has been argued that providing sufficient space for a greyhound to turn round easily is, on the one hand, an essential feature of a suitable environment, and on the other that, in the event of an accident, a greyhound is more securely protected if it is more tightly confined and thus turning space should not be a welfare requirement.

We suspect that no documented research exists to substantiate either hypothesis. However, the empiric evidence from those welfare groups who

regularly transport thousands of dogs around the country, using cages which allow space for an animal to turn easily without any apparently increased risk of death or injury through accident, is probably the more convincing.

We recognise that any minimum standard imposed either by the Regulations or recommended under the Code of Practice will have compliance cost implications for greyhound owners and trainers both in terms of initial acquisition and subsequent implementation. Before such costs are incurred they must, in our view, be fully justified in welfare terms. We are aware that, following the issue of the EC Regulation covering the transportation of animals (EC 1/2005) Defra undertook a period of consultation within the industry, which included the transport of greyhounds. We are advised that the BGRB reached agreement with the NGRC and the Society of Greyhound Veterinarians (SGV) on transport guidelines for trainers and that these guidelines were accepted by Defra. Nevertheless, it seems that disquiet is still being expressed by some among the Welfare Groups who, we understand, were not involved in the consultation.

This is an issue which may now require further investigation. As stated above, there is an responsibility on the industry to employ standards for transporting greyhounds which are consistent with its obligations under the Animal Welfare Act. Either the standards contained in the current guidelines satisfy that responsibility, in which case the continuing concerns expressed by the Welfare Groups would be misplaced; or they do not – in which case those concerns would be justified.

If, as we suspect, the answer is less clear cut than the question, it is for consideration that the industry should act swiftly to commission specific independent research to identify the appropriate standards for transporting greyhounds consistent with fulfilling its obligations under the Animal Welfare Act. Should such research identify a need to change the design and/or increase the size of cages then a reasonable period of time would be required to allow implementation to take place. Either way, the task and cost of retro-fitting vehicles in order to comply with any new standards should not be underestimated.

If they embark on such an exercise, those concerned must, in our view, consider whether it is necessary and proportionate to lay down minimum dimensions for cages used for transporting greyhounds in the Regulations. If they conclude that it is, then the specifications should be supported by the industry, unambiguously, and adequate time allowed for implementation. Alternatively, it may be more appropriate to include recommendations as to minimum dimensions in the Code of Practice, given that enforcement of the Regulations in this respect may, as pointed out by LACORS, prove to be problematic in practice.

Conclusion

The Government is committed to the introduction of Regulations in respect of greyhound racing during 2009. We do not underestimate the practical difficulties this commitment presents but consider that the topics outlined above constitute the main regulatory issues that need to be addressed. It is however a key objective that a two-tiered system of regulation does not emerge, which allows those racing only under local authority licences to do so to lower standards of welfare and integrity.

Chapter 12

INDEPENDENT GREYHOUND RACING TRACKS

Introduction and Cultural Background

There are now only some 14-16 independent greyhound tracks offering racing in Britain unlicensed by the NGRC and its Rules of Racing. The numbers fluctuate as tracks close and reopen. But the independents, sometimes known deprecatingly as 'flappers', have been in relentless decline for decades as the changing social structure of Britain and its people's changing leisure tastes have moved against them. The number of independent tracks in 1960 was five times as high at 87. Currently, the remaining small rump of such tracks are under further serious threat from the costly welfare provisions of the new Animal Welfare legislation.

These independent tracks can no longer be viewed as a major part of our greyhound sporting industry. They have been from the beginning rooted in the old British working classes, often based in the coal mining areas, and their number has shrunk as those classes have diminished. Geographically, the independent tracks have retreated mainly into those provincial redoubts where some of the traditional conventions of old working class life persist, as in the North East, the North West, Scotland and in South Wales. The social facilities at the present tracks to some extent also echo the Working Men's Clubs and British Legion Clubs of immediate post-war Britain. These tracks may over time disappear altogether with the social changes occurring in this country, coupled with the hostile pressure put on them from the licensed sector and as government imposes the mounting costs of welfare regulation.

Animal Welfare Legislation

The Duty of Care provisions in the new Animal Welfare Act 2006 apply to all, including the independent track operators and those who race their dogs at such tracks. These operators cannot opt out of the Act as they have historically opted out from the NGRC regulation. They will be vulnerable to prosecution if they fail satisfactorily to perform the specified Duty. The Act will seek to impose a common uniform welfare standard across all greyhound racing and the secondary legislation to be introduced under the Act will have particular relevance to the independent sector. It is unlikely and undesirable that this welfare standard will be set lower for the independent than for the licensed sector. There must be a single common standard for all. How that secondary legislation might specifically operate for the independent sector is described in chapter 11 above (Regulations under the Animal Welfare Act 2006).

The Current Situation

The burden of this new legislation alone may quickly put paid to all or most of the independent sector. Not everyone in British greyhound racing would weep at that outcome. The independent tracks are often, maybe usually, viewed with distaste and disapproval by the greyhound racing establishment. We received comments from individual promoters, regulators and bookmakers which suggested that they would be happy if the whole sector were to be eliminated. Some of this distaste, especially from the NGRC, may derive historically from social attitudes which today are outdated and irrelevant. But some of the longstanding disapproval is based on the regrettable reality of significant parts of independent racing.

Too many of the independent tracks are shoddy in appearance and have long been unsatisfactory both in terms of integrity and welfare. Kennelling facilities can be primitive, if they exist at all. Greyhounds arrive in the backs of cars and vans and may, on hot evenings, be kept without sufficient air management or hydration. Only a few tracks have veterinary attendance (a couple of them, interestingly, with good mobile facilities) so there can be a painful delay awaiting an 'on-call' vet if a dog is injured in racing. There may be no pre-race veterinary inspection of greyhounds (it being done cursorily by management) and dogs may therefore run when unfit. Worst of all is the kind of situation which has been reported to us where some disreputable individuals buy van-loads of cheap poor-quality dogs, from Ireland or from NGRC tracks, select the able ones for unlicensed racing and shoot the rest.

Record-keeping and tracing of dogs at independent tracks is often very rudimentary. There is no testing for drugs. Consequently, issues of racing and betting integrity have been of concern in the past and off-course bookmakers shun this market. However, it should be noted that the prize money and betting turnover at current independent tracks is now usually so low that it is claimed that there can be little financial incentive for 'fixing' races. Integrity concerns may therefore today be much diminished compared to the betting coups of yesteryear. Of more continuing concern may be the use of drugs to mask injuries in order to 'get a run' and the disguise of greyhound identities when running at an independent track in preparation for a 'coup' at a licensed track.

Overall, the general case against the very continuance of the independent sector, as put to us strongly by the BGRB, the NGRC and by some bookmakers (and apparently shared on welfare grounds within government), is that the independents contribute nothing financially to the central industry and can be the source of welfare scandals which damage the reputation of the whole sport. Certainly there is no case for assisting the preservation of the lowest grade tracks. We anticipate that the higher welfare standards and regulatory costs predicted under the new Animal Welfare Act will nudge them into oblivion, with few tears shed.

Our General Approach

However, the independent sector, according to our limited observation and the evidence we have received, does exhibit a wide spread of quality, of both virtues and vices. The spread extends from the better run tracks, which in our view should be encouraged to survive and meet all modern welfare and integrity standards (some have clearly stated that they wish to do so), to the bottom end of shoddy tracks, which probably have no decent reason for being in business in the twenty-first century.

This Review has observed both the good and the bad aspects of the independent sector. We believe that it is important not to forget or ignore the virtues of the better independent tracks and the positive contributions they do make both to the sport and to the leisure enjoyment of certain sections of the British sporting public. Our general approach is to suggest that the positive side of the independent sector should be encouraged, while the negative aspects should be eliminated. We recommend that the new greyhound governing and regulatory authorities give consideration to taking this broad approach.

The ‘positive’ aspects of the independent sector, where it has been estimated some 4,000 greyhounds race each year, include the following:

- Many of the best trainers commence their careers and learn their initial skills at independent tracks. As one commentator observed *‘even Premier League footballers began playing in the parks’*. New owners also often test the water at these tracks.
- Many young greyhounds begin racing on these tracks to establish their talents and dispositions. Trialing and schooling is done there (with the understanding if not the formal approval of the NGRC since schooling is not sufficiently available at licensed tracks).
- Veteran and slower dogs extend their racing careers by racing at independent tracks.

In more general terms, though not necessarily less important, the independent tracks can make a contribution to the social life of some British regional communities. There are, and this Group has met, greyhound racing devotees who actively prefer participating in independent racing. For many, it is an important part of the pattern of their sport to race (though against the Rules for NGRC registered greyhounds and their trainers) both at licensed and unlicensed tracks. Independent operators told us that at least 30% of their entrants were NGRC registered greyhounds, though with disguised identities. We are told that this “cross-fertilisation” is more prevalent in Scotland and the North of England where proximity between licensed tracks and independents is

more common; that is not to say, of course, that the presence of an “NGRC” greyhound on a South Wales track is an unheard of event.

Such committed customers of the independent sector are primarily personal owners and owner/trainers on a small scale. Many have only one or two greyhounds, while in a recent survey of 116 trainers who kept more than 5 dogs they on average trained only around seven each. This demonstrates a different and smaller trainer profile from that operating in the licensed sector, which is dominated by professionals with large teams of dogs, usually contracted to a particular stadium. Many of the greyhounds running in this unlicensed sector are not of the highest class ability, though they still appear to give and get pleasure from racing.

Participants in this distinctive sporting life spoke strongly to us of their support for the independent sector. An independent owner said: *‘We like to be always with our dogs and not hand them over to some NGRC trainer and then not see much of them again’*. Another said: *‘Ours is a more personal one-man-and-his-dog atmosphere, unlike the NGRC tracks, and especially BAGS, which are like a factory production line. We want to walk with our dogs and have them to live with us at home, not kennel them.’* A trainer said *‘what we want is a nice friendly track where people know each other and the one or two-dog man can enjoy his racing’*. (We observed that enjoyment on a warm evening at Westhoughton). They seemed to be under the impression that, once registered with the NGRC, the independent promoters, owners and trainers would be obliged to change the whole character and atmosphere of the sport they love. One independent owner summed up the differences between the two sides of greyhound racing as *‘the licensed sector is a business, ours is a hobby’*.

To these devotees the independent sector is the grass roots of the sport, primarily used for dogs which are not good enough for licensed racing but where racing them still gives great pleasure to their owners and probably also to the dogs. Although there is still some small-scale betting at these tracks (though not off-course), independent racing is more a social sport than a professional betting medium. The days of ‘big coups at the flappers’ are said to be over, though we cannot assess how true that is. Independent racing as currently pursued makes it possible for a working man or woman to care for one or a couple of relatively cheap dogs of modest talent and take them racing without a superstructure or regulation, kennelling etc. It would be a pity if that pleasure were to be bureaucratically removed, except where, as sadly it sometimes does, it involves welfare and integrity problems. We do not believe that the purpose of this Review is to accelerate that process other than where there genuinely are those welfare and integrity concerns.

Clearly, there are many such concerns in the unlicensed sector, especially relating to welfare, veterinary supervision, medical facilities for injured hounds, kennelling provision, track surfaces, and inadequate tracing and

record-keeping. These concerns and deficiencies will vary from track to track. However, it should be noted that some important aspects of greyhound welfare may be superior in the independent sector to the welfare situation at some licensed tracks. Because many of the independent greyhounds are personally owned as pets by people who care passionately for them, they may be treated better than in the 'mass production' atmosphere of the larger licensed tracks with their contracted trainers. Certainly the re-homing issue should be less acute where the greyhounds are kept as pets at home throughout their lives. Also of course, were the independents to disappear overnight, there could, apart from those cared for at home, be a welfare problem relating to the disposal of the surplus of greyhounds, which could arise in the case of those owners and owner/trainers who run larger numbers of dogs.

Perhaps the above description of the positive side of some independent greyhound racing will be seen by the NGRC and the BGRB as an overly-romantic view of the unlicensed sector, though it is not a misrepresentation of some of what was seen at one of the best of the independent tracks. But it is our opinion that it would be a great pity if the better positive aspects of the independent sport were to be lost through social hostility, over-regulation and focusing only on the financial aspects of the sport.

A Future Direction

Looking to the future, with new welfare legislation and a new authority governing and regulating the greyhound sport, it should be an objective of the ruling bodies to assist the better independent tracks to prosper and to achieve common welfare and integrity standards. This will involve positive attitudes on both sides which have not always been demonstrated in the past. The greyhound establishment should make sure that the old style 'Club snootiness' is clearly buried in history, as to a great extent it actually already is. A change of attitude will also be required among some independents, who have stated that they just '*do not wish to join the Club*'. This latter objection may derive from social alienation and historic hostilities; or because of the financial costs and administrative burden of being regulated to meet the required standards (some of those who have recently moved to the licensed sector have found the transitional burden heavy); or because some independents foolishly wish to connive at integrity and welfare malpractices which the authorities rightly would not tolerate; or simply out of independent spirit (to which the independent promoters have a human right). However, we believe that the extent of opposition by the remaining independents to accepting regulation is diminishing. This process should be facilitated by our recommended disappearance of the old Club and the absorption of its regulatory arm into the new GBGB. Indeed, two former independent tracks (Pelaw Grange and Kinsley) have recently chosen to change status and race under Rules.

The question now is whether and how to facilitate and accelerate that process of integration of the small remaining group of suitable independent tracks? Obviously, financial incentives from the governing body would help, though the promoters and bookmakers might resent paying that financial subsidy. But the issue is not just about money. A number of other practical obstacles to integration exist. Some of these are summarised below:

Welfare

There can be no compromise on welfare. The independent tracks are, under the new legislation, already subject to common welfare standards across the board; these requirements will become more rigorous and specific when the relevant secondary legislation comes into force in 2009. Some independent operators have stated firmly that they are keen to implement the legislative welfare standards even before 2009 and they have asked Defra to tell them *'what they need to do and they would get on with it'*. The remainder may be left to disappear.

Veterinary Surgeons

The Animal Welfare Act requires that the animal be 'protected from pain, injury, suffering or disease'. Injury during greyhound racing is sometimes an inescapable element of the sport and, no matter how good the facilities, some injuries are inevitable. Hence we expect, and indeed have recommended above, that it should become a legal requirement for rapid professional treatment to be available at all tracks when an injury occurs. That can only be provided if a vet is present with equipment suitable to provide emergency care on site. Some independent tracks now do provide veterinary care at a level similar to that available at a licensed track. But most do not, some having only a vet 'on call', involving painful delays until treatment – if, indeed, that "call" is made at all. Thus we have recommended that, as a function of the secondary legislation, a veterinary surgeon, with appropriate medical equipment (which could be a mobile facility shared among tracks) must be in attendance at each track for racing and trials. A problem would remain if the contracted vet did not turn up for the meeting and so fall-back arrangements with a locum would be required. Furthermore, in order to comply with licensed rules, a vet at an independent track would need to carry out pre-race inspections of greyhounds - not currently the case.

This necessary imposition of the presence of proper veterinary provision at all tracks may alone lead to the closure of a number of independent tracks, which need not, in these circumstances, be regretted. If tracks cannot provide proper veterinary and hence welfare facilities, they should close or be closed. For a discussion of the veterinary provision, see the chapters on The Role of Veterinary Surgeons (Chapter 15) and Regulation and the Animal Welfare Act 2006 (Chapter 11).

Drug Testing

Currently, no independent track to our knowledge conducts drug testing - and of course the NGRC, whose sampling stewards conduct testing at licensed tracks, currently cannot do it for those outside the NGRC's jurisdiction. However, the Club has informed us that it would be willing to conduct testing in the Independent sector if it were financed to do so. As now, any independent seeking to transition to licensed status would, of course, need to comply with the Rules as they apply to drug use and testing

Kennelling

The Rules of Racing require that greyhounds are kennelled at least 45 minutes before racing, mainly as a protection against them being given prohibited substances. They are also required to be kennelled until, in the case of BAGS racing, 15 minutes after they have raced. But many independent owners prefer to race at the independent tracks specifically because they do not wish to use track kennels (and object even more strongly to licensed trainers' kennels). They argue that keeping dogs locked up for several hours without sufficient water and exercise is inhumane, thus they prefer to keep their dogs under their own supervision, as described above. Some dogs are anyway temperamentally unsuited to mass kennelling and become stressed and cannot race well if so kennelled.

Independent operators argue that these kennelling Rules are not necessary for them since they claim that in their racing there is little or no incentive to tamper with dogs. This issue would require careful negotiation between the authorities and the independent operators about whether track kennelling is needed at all at smaller tracks with no off-course betting and, if needed, to what standard. But as an issue it has not apparently been an insuperable obstacle to those tracks which have recently chosen to change status to race under Rules.

Statistics and Record Keeping

The independent tracks are currently not required to keep records or a database of runners from registration to retirement, though that situation may change when the new welfare regulations come into force. Some independent operators do now attempt to keep records but the administration is patchy, time-consuming and expensive; and inputs to databases involve skills and money with which few independent tracks are equipped or able to provide. However, such information must be available to centralised industry databases if the sport is in future to be able to track the whereabouts of all racing greyhounds from cradle to grave, or at least to retirement. Injury data also must become an established requirement so that valid research can be conducted. Hence adequate record keeping and database management should be a requirement for independent tracks if they are to be accepted into the

licensed world of greyhound racing. The tracks may require initial modest training and investment to achieve these standards.

“Veteran” Racing, Schooling, Trials and NGRC Sanctions

Veterans races help to extend the useful racing lives of greyhounds and so reduce the problems of retirement and re-homing. But few such races are available in the licensed sector for older, slower dogs and we believe that more effort should be made by racing managers to accommodate the demand. However, if there really is no capacity for an increase in the number of races for greyhounds in this category in the licensed sector, then a case emerges for encouraging some of these smaller (but adequately regulated) tracks to continue offering such veterans racing opportunities. This argument equally applies to providing schooling, although it should be noted that the NGRC Rules of Racing do not preclude any track, licensed or unlicensed, from schooling. Trialling, however, is a different matter because of integrity issues relating to the recording of form and time-keeping.

Currently, greyhounds which race under Rules may not also run on unlicensed tracks and their licensed trainers suffer heavy penalties for doing so if exposed. As mentioned above, in fact many greyhounds do so race, usually under false identification, including allegedly some preparing for licensed races. This is because they can race on an independent track without recorded form and thus subsequently attract a bigger betting price in a licensed race (although this practice would now probably amount to cheating under the provisions of the Gambling Act). One consequence of the heavy sanctions which may be imposed on those found in transgression of the Rules of Racing in this respect, is that they act as a major deterrent against the independent sector cooperating with industry-wide identification of greyhounds through its databases. Any new regulatory authority, working to encourage the better parts of the independent sector to join under its umbrella thus enabling the construction of databases covering the whole industry, might seriously consider whether such sanctions would continue to be necessary if proper records were kept.

It is our view, which follows from our proposal in the previous chapter that it should be a regulatory requirement that greyhounds should race only in their Stud Book Names, that the Rules which seek to ban the participation of greyhounds, their owners and trainers in independent racing should be dropped. Failing acceptance of that regulatory proposal, a revised Stud Book Name Scheme should be re-introduced. We are aware that such a Scheme was put in place in 1987 but discontinued in 1991 because of a lack of interest on the part of the independent sector, as it was then constituted. However, perceptions and expectations have changed, as have means of recording and transmitting data, and we believe that such a step would promote the welfare of individual greyhounds through seamless traceability /integrity; eliminate any reason for hostility by the independents towards the new GBGB regulator; and would also

facilitate the construction of comprehensive databases covering the lives and racing form of all greyhounds.

Future Options for Independent Tracks

In the future, the determination of the above issues will to a considerable extent determine the fate of independent tracks. A number of them, possibly a majority, may be forced out of business by the burden of additional welfare and regulatory costs. But a few of the better tracks may be able to meet those costs. If so, the question facing this latter group would be whether to remain independent or whether to move into the newly regulated environment. We believe that it would be to the benefit of the whole industry if these tracks could be encouraged to transfer into the licensed sector. One deterrent to joining the licensed sector would be the significant extra costs of regulation which might make the financial difference between their survival and oblivion. No doubt any new governing and regulatory body will, as has been the case in relation to the tracks which have recently transferred to the licensed sector, consider targeted financial incentives to facilitate that transition.

It might also be worth the GBGB considering whether formally to consider whether some of the smaller licensed tracks, whilst operating under full welfare provisions, might be able to race under a slightly lighter regulatory rein (possibly in relation to, for example, penalty levels and kennelling requirements). A parallel might be drawn with Point-to-Point horse racing; Point-to-Point steeplechases are governed by special Regulations agreed and published by the British Horseracing Authority and which cover in detail all relevant aspects under a lighter rein of regulation than operates in the main sport.

One objection to this approach in greyhound racing is that it could be seen as a device to escape proper regulation and to enjoy the respectability of licensing without paying the full price. However, it could be more positively viewed as a means of providing a vehicle (perhaps limited in term) whereby such tracks could prepare for transition towards full licensed status. Operating under a common welfare standard and a modestly lighter regulatory rein, these tracks could then, like Point-to-Point racing, continue to provide a minor though valuable grass roots contribution in terms of social leisure for some communities and, for example, schooling, possibly trialing, and veterans racing for the sport.

To assist this process, a 'Facilitator for Transition' might be appointed by the governing authority, possibly someone chosen from the promoters of those former independent tracks which have already successfully made the transition. The BGRF might then, for a limited period, also provide modest, targeted financial incentives, as it already does to such smaller tracks as Henlow, Pelaw Grange, Doncaster, Mildenhall, Reading and Portsmouth even though they

have no BAGS racing and little off-course betting and so make a lesser contribution to the central finances of the sport.

Conclusion

The new greyhound authorities should seriously consider encouraging and offering transitional incentives to what could be a respectable and law-abiding element of grass roots greyhound racing, if there were to emerge a demand for such. It is to be hoped that such tracks would ultimately prosper and make the transition to full regulation, perhaps within a transitional process limited to one or two years. But it should not be the purpose to sustain tracks which breach common welfare and integrity standards or have no intention of making the transition to licensed racing. If that positive objective is achieved and a few more tracks survive with better welfare and integrity under a common regulatory regime, while tracks unable or unwilling to comply go out of business, then the greyhound industry would be the better for it. If eventually there then exists in Britain a single greyhound sport which is united under one regulatory regime, that would be an achievement to be celebrated.

Chapter 13

THE BREEDING, OVER-SUPPLY, MONITORING AND RETIREMENT OF GREYHOUNDS

Introduction

Above we describe how very large numbers of greyhounds are bred, particularly in Ireland, for racing in Britain. Although the statistics are inadequate, it is estimated that some 10,000 greyhounds enter and leave the licensed sport each year, with a further 3-4,000 believed to race on unlicensed tracks (though some of these dogs also run, contrary to the Rules of Racing, on licensed tracks, often under different names).

Serious welfare problems can arise because so many of these greyhounds retire from racing at a relatively early age and henceforward many need either to be re-homed or are disposed of in other ways, not always humanely. Of the estimated 10,000 greyhounds leaving the licensed sport each year, only some 4,000 are re-homed through the Retired Greyhounds Trust (RGT) and about a further 1,500 are re-homed through other welfare charities. The RGT is a nation-wide organization, primarily funded by the BGRB, with over 60 branches which re-homed 3,900 greyhounds in 2006 (having increased from 2,030 five years earlier). Some of those that remain are cared for by their private owners and trainers, but the fate of the rest is unknown and therefore of welfare concern. In addition, there is the issue of the greyhounds which do not ever make the grade to competitive racing and these too have to be homed or otherwise disposed of.

The Current Situation

One fundamental difficulty when approaching this issue is the paucity of satisfactory information about the numbers and the life careers of greyhounds. We do not know the precise numbers of dogs or what actually happens to them during their lives. The public, through Parliament, has made clear its expectation that the industry establishes a situation, which must of course include the independent sector, where the whereabouts and status of all greyhounds, preferably 'from cradle to grave', or certainly from birth to retirement, is known. This is why in another section of this Review (see Chapter 14), we stress that greyhound racing's governing and regulatory bodies must urgently develop improved and integrated data bases.

Currently, greyhound bitches have litters intended for racing, but with no comprehensive monitoring nor licensed regulation of their breeding (and incidentally therefore with little enforcement of the existing 1999 Breeding and Sale of Dogs [Welfare] Act). All greyhounds are earmarked at around 12-15 weeks, but they are not registered with the Regulator unless or until they are

ready to race, usually at about 15 months. Along the way, those which display insufficient ability or inclination to race have to be cared for or are disposed of in some way or another. On retirement from racing, the tracking of greyhounds has been erratic but is improving. Rule 18 offers some protection and the Rule is now being more firmly, though still insufficiently prosecuted.

The increased volume of racing in recent years and the flow of greyhounds leaving the sport means that demands for re-homing outstrip the current supply of retirement provision. It should be an urgent priority of the new governing and regulatory authority to make a firm commitment to tighten up this situation where there is an over-supply of greyhounds, particularly poorly-bred ones, a lack of information on and monitoring of their careers, and inadequate provision for their retirement.

It should be noted that this question of over-supply does not derive primarily from over-breeding in Britain. Again, the statistical information on this issue is thin, but the British Greyhound Stud Book indicates that the number of British bred dogs is only around 3,000 per annum, has actually declined in the past year and is close to a low point for recent decades. It has been suggested to us that a significant proportion of these British greyhounds are bred in the north of England but that the owners/trainers breed in small numbers and race on provincial, sometimes unlicensed, tracks and who are believed to care passionately for their dogs and happily look after them in retirement. On this basis, if accepted, it is hard not to conclude that the numerical welfare problem of over-breeding and demand for re-homing derives mainly from supply from Ireland - itself, of course, responding to increased demand from Britain, including the growing needs of British BAGS racing (around one third of licensed racing planned for 2008).

These welfare issues have received greater publicity in recent years and British greyhound racing, to the credit of all involved, has given higher priority to, and spent much more money on, welfare and greyhound retirement. Apart from the RGT, the BGRB's Retired Greyhound Fund also provides grants for capital projects to private individuals and organisations undertaking greyhound re-homing. Taken together, the BGRB initiatives and the welfare charities re-home about a half of the dogs which retire from racing. Some others are personally re-homed by their owners and trainers. We do not know what happens to the rest. But there undoubtedly remains a widespread feeling in political, government, welfare and media circles that more should be done, as was strongly expressed in the recent APGAW report. Certainly there needs to be greater promotion of these lovely pets for retirement outside the limited greyhound community.

Our Review has taken much evidence relevant to these welfare questions and particularly in relation to the over-breeding and over-supply of greyhounds. Theoretically, three broad policy approaches have been suggested to us which

might ease the situation of over-breeding and over-supply. One would be to reduce demand for greyhounds by intervening to limit the amount of racing on offer (the RSPCA suggested that the number of races be limited by a quota system). A second would be to try to limit the supply by controls over breeding. A third approach is to improve the micro-monitoring of greyhounds' careers 'from cradle to grave'.

The difficulty with the first approach of controlling the supply of racing and thereby limiting the demand for greyhounds is that such measures are probably, as the BGRB stated in its legally-based evidence, impractical on grounds of competition law. The difficulty with the second approach of controlling the supply of greyhounds through their breeding is that in fact the main source is in Ireland which is beyond our jurisdiction, although we have suggested that the industries and Governments in Great Britain and Ireland should have closer liaison. However, we believe that measures can be taken to improve the breeding situation and set them out below. The third option is clearly fruitful and we suggest below ways of improving the registration, tracing, monitoring, health, nutrition and retirement of greyhounds during their careers.

Licensing of Breeding Establishments

Currently, there is no regulatory inspection of breeding kennels (unless they happen also to be licensed racing kennels) and the Regulator has no jurisdiction over breeding.

This Review agrees with those witnesses, including the BGRB and Greyhound Voice, who argued that this deficiency should be corrected. All greyhound racing breeders should, as we state in our chapter on Regulation and the Animal Welfare Act 2006, be licensed by the Regulator and subject to fully qualified veterinarian supervision. Such licensing would give authority to the stewards to enter all greyhound breeding premises. Proper licensing supervision should, together with more research into breeding and nutrition, reduce the number of poorly-bred greyhounds deriving from British jurisdiction and therefore limit the number of greyhounds that prove insufficiently sturdy or are injury-prone and so ultimately do not qualify for racing. It should also then be easier to enforce the Breeding and Sale of Dogs (Welfare) Act which states that a bitch should not be mated if less than one year old and should not give birth to more than 6 litters in her lifetime. The Regulator might add as a condition of licensing that no births should be delivered when the bitch is more than 8 years old. Together with proposals for stimulating more research into better breeding of sturdy dogs, including better nutrition, this might help to reduce the supply of unfit or unsuitable dogs. However, this would be effective only in Britain. The supply issues which derive from Irish breeding should be the subject for negotiation between the British and Irish governments and racing authorities.

Licensing Fees

There was considerable support among some witnesses for increased ownership registration fees as a means of deterring excessive and irresponsible greyhound ownership. A fee range of £200-£500 was aired - though the owners and trainers balked at the higher figure. However, such a higher figure might be acceptable to most if it were to be imposed, with a part of the fee being viewed and retained as an advance deposit towards the later costs of suitable retirement and re-homing for the greyhound. We have considered this proposition amongst others and discuss our proposals for the ownership registration of greyhounds in greater detail in Chapter 10.

Puppy Registration

We support the proposal that all greyhounds should be registered at birth, or at least at the time of ear-marking (12-15 weeks). The case for specifically requiring this under secondary legislation is set out in our chapter on Regulation and the Animal Welfare Act 2006 (Chapter 11).

Identification and Tracking

It has been suggested to us in evidence that the identification and tracking of greyhounds would be improved and facilitated by:

- Stricter prosecution of Rule 18. This has lately improved, but with employment of more stewards it could be even more rigorously pursued.
- Better identification techniques, probably through the addition of micro-chipping.
- Establishment of improved IT links between breeders, welfare charities, trainers and the official databases maintained by the new GBGB to enhance the tracking of greyhounds, both during their racing careers and on retirement.

This last measure would be enforced by having a Rule of Racing requiring that trainers as well as owners must report when a dog arrives at and when it leaves a licensed kennel and when it retires from racing (perhaps on an analogy with the DVLA methodology for registering ownership, transfer and “retirement” of automobiles). This Rule would thus incorporate the current operations of the Retired Greyhound Coordinator. We explore this issue further under our section suggesting the improved IT and data base arrangements which will be needed by the governing and regulatory authority (see Chapter 14). Closer and more constructive relations between the Regulator and the presently unlicensed sector (as suggested in Chapter 12 on Independent Tracks) would make it possible to input more comprehensive information about the life careers of

greyhounds into the central data bases.

Minimum Values on Sales

This seems a good idea in principle and has been introduced at Irish auctions (at €300). But it is not easy to enforce in practice and does not apply to Irish private sales. The Regulator should explore whether and how a minimum values system could be introduced in Britain.

Extending Greyhounds' Racing Careers

The active racing careers of greyhounds might be extended - and hence their time in retirement reduced - by having more graded races for veteran dogs (currently more often provided by unlicensed tracks). It has been suggested to us that a racing career starting at 15 months may be too early for the health of the dogs. We have seen no evidence to support this view but it seems likely that this is because no formal, targeted research into the issue has been undertaken. If this is considered to be an issue, then the governing body should commission such research to establish verifiable evidence for a desirable age for starting racing (though there will presumably always be variation from dog to dog).

Injuries

This issue is referred to in our sections on Regulation (Chapter 11) and on Independent Tracks (Chapter 12) but is also relevant here because of its link to early retirement of greyhounds from racing and the consequential need for prolonged retirement and re-homing. It is important that validated track injury statistics are maintained and made available to the Regulator. More research into track surfaces is required (the BGRB has already commissioned some) and more research should be promoted to establish if it is possible to breed greyhounds less prone to injury. Our suggestions for improved veterinary provision throughout the sport (Chapter 15) should also assist in ensuring better treatment for and recording of injuries to greyhounds.

Nutrition

We have received interesting veterinary arguments that poor nutrition is a major factor in producing greyhounds which have poor teeth and bone structure and are prone to injury, particularly where consequential poor cartilage formation leads to prevalent hock injuries. It is alleged that many commercial dog foods are composed excessively of cheap corn which is not natural to them nor best suited to what are basically carnivorous animals. We are not qualified to assess the scientific validity of these arguments but have viewed some of the evidence on which they are based and believe they merit further professional scrutiny. The greyhound authorities should urgently promote appropriate

research into the relevant areas of greyhound nutrition.

Retirement of Greyhounds

Some greyhounds are temperamentally unsuited to re-homing, as some are to mass kennelling, but for the majority the demand for retirement places far outstrips the supply. The options for tackling this imbalance include:

- A condition of granting a track licence should be that the track operates an efficient re-homing scheme. Although some licensed tracks already operate efficient homing schemes, this is not universal.
- The racing and betting industries should increase the allocation of financial support for retirement provision. Indeed, the racing and betting industries have indicated a willingness to do so under a general welfare heading providing the arrangements for handling the finances were satisfactory.

Ireland

Since some of the issues relating to the over-supply, over-breeding and lack of tracing of greyhounds, especially poor quality ones, derive from Irish breeders (though the original demand derives from Britain), the relationship between the British and Irish greyhound authorities is of great importance. These relations have improved significantly in recent years and this Review found the Irish greyhound authorities impressive and welcoming. This liaison should be systematically developed and maintained at a close and cooperative level both by the greyhound racing authorities and by the relevant government departments. At governmental level, Defra might fruitfully establish a senior committee with this objective in mind and initiate talks at ministerial level. The relevant British and Irish data bases should be shared as much as possible to the mutual benefit of the sport in both countries and we are encouraged by the progress already made in this respect.

Conclusion

The important areas discussed above, concerning breeding, licensing, registration, tracing, research, nutrition and retirement, are crucial to the good regulation and better welfare of British greyhound racing. Currently, they are not always monitored or regulated with sufficient efficiency, authority or comprehensiveness. Our analysis and proposals, based on the evidence of witnesses from the industry, should assist in producing an improved regulatory situation in the sport. They should constitute part of the agenda of greyhound racing's governing and regulatory authorities. They should also, as we propose below, be at the heart of the Government's Animal Welfare Act Regulations.

Chapter 14

INFORMATION TECHNOLOGY

Introduction

It is in the nature of greyhound racing that large numbers of dogs either start or end their racing careers every year; many, indeed most, of these are importations from Ireland. As we have discovered, no-one actually knows what the numbers are, although there are plenty of people ready to make estimates which vary widely according to the point the particular parties are seeking to make at the time and to whom.

It is, we believe, essential that the governing body and those on the independent track circuit should address the effective monitoring of greyhounds and puppies, including those entering from Ireland, so that their registration, licensing and tracking can be a matter of record. Parliament and the public have made it clear enough that they require the sport's authorities to know the status of all greyhounds and to be able to account for them. The task is significant covering, as it must, not only tracking and tracing but also the maintenance of injury statistics. Significant investment in technology and innovative thinking will be required to deliver an adequate and joined-up system.

This Review cannot undertake that exercise itself but it can, we believe, highlight what it believes to be the key areas which need addressing and to which priority of expenditure should be allocated.

Tracking of Greyhounds Database and Process

The name of every greyhound that is licensed for racing is currently entered on the NGRC database by name and identification when it is first registered for racing.

An effective tracking system should enable the authorities to identify the location of a particular greyhound at any particular time. When a stipendiary steward carries out a routine inspection at a training kennel, that steward should be able to call upon a list of greyhounds resident at that kennel and the current status of each one: for example, racing, resting, injured, recovering from injury, retired, etc. At the moment, that is not possible because greyhounds are linked to owners on the database and not to trainers. Since, unless owned by the trainer concerned, racing greyhounds do not live with their owners, this system falls at the first hurdle when it comes to traceability.

It is, in our view, necessary either to modify the existing system or to design and maintain a replacement which adheres to the following principles for a tracking system which is both simple and consistent with the stock

management requirements of any business¹⁵:

- Every greyhound that is licensed for greyhound racing comes under the control of the sport when it is first registered, which is generally at about 15 months. As we have recommended elsewhere, this should take place coincident with earmarking at approximately 12 weeks.
- The name and identification (to include distinguishing marks) of the greyhound is entered into the database at that point and the animal then becomes an accountable entity. If earmarking takes place at a breeding kennel which is not also a training kennel, then the breeder is accountable for the greyhound until such time as it is sold or otherwise moved on. Either way, the breeder would be required to inform the database manager that the dog had left their establishment and to where it had gone.
- Every licensed racing greyhound has a trainer; therefore all greyhounds on the database would be linked to a trainer (primary) as well as to an owner (secondary).
- All trainers have kennels; therefore the greyhound is linked not only to a trainer but also to an address where the trainer keeps the greyhound at any given time.
- If a greyhound is moved, on more than a temporary basis, from one trainer to another, the database manager must be informed by both the trainer losing the greyhound from his strength and the trainer receiving the greyhound onto his strength (as with notifying the DVLA when buying, selling or “retiring” a car).
- At any given time, a stipendiary steward, when inspecting trainers kennels would know how many and which greyhounds should be at a trainer’s kennels. Any discrepancies would be immediately identified and appropriate action taken.
- When a greyhound retires from racing, the trainer would inform the database manager immediately, stating how it has been retired. This would trigger an enquiry with the registered owner (who may also be the trainer) to implement the process of compliance with Rule 18.

Retired Greyhounds

The NGRC maintains a dedicated database of retired greyhounds which has

¹⁵ This is not to say that greyhounds are to be regarded as “stock”; merely that a stock management system would be a suitable vehicle for the tracking of greyhounds.

been built up over recent years as a result of hard work and innovative thinking. In essence, it tracks and records all retired greyhound information; its information is part of the overall database of registrations maintained by the NGRC and is shared with all the tracks and the National Form Database.

Regulating the Process

Once a tracking system is ready for operation, it would provide the Stipendiary Stewards with the information needed to check that a trainer has at his kennels all the greyhounds he is supposed to have. Thus, prior to a visit, a Stipendiary Steward would have access to the information needed to carry out the necessary checks.

It would be for the GBGB to decide how to make this proposition work in practice and the Rules may need to be amended or modified to provide any disciplinary vehicle thought to be necessary, although this should just be a matter of record-keeping and notification. The system would, however, depend on the following requirements, some of which are, or should be, already in place:

- For a trainer to report when a greyhound moved on for more than a temporary basis¹⁶ from the kennels at which that greyhound was registered.
- For a trainer to report when a greyhound was received by its kennels from another trainer's kennels on more than a temporary basis.
- For a trainer to report when a greyhound registered in that trainer's kennels retired from racing.

Injury Statistics

The maintenance of injury statistics in a central database is inevitably a sensitive issue. There is a danger of inconsistency in reporting standards and also the risk of misuse; it is an old saw that statistics can be used to demonstrate any point which the protagonists in a particular debate may be seeking to prove - but it is nonetheless true. There are, however, obvious advantages to be gained from a properly collated, maintained and interpreted database. It would provide a powerful tool capable of extending the racing life of greyhounds and reducing injury. As prevalent trends emerged, so corrective action could be taken. Furthermore, such a database would provide a valuable epidemiological research facility.

¹⁶ Temporary Basis: excludes the need to report when, for example, a bitch in season is placed in resting kennels or when a greyhound is in transit. In such circumstances it would be for the trainer to explain the dog's absence and for the stipendiary steward to make such checks, if any, as might be deemed appropriate.

It seems highly likely that the keeping of injury statistics by all tracks, be they licensed or independent, will be a mandatory requirement of the 2009 Regulations and it makes eminent sense for all that information to be maintained on the same database. That alone will require a constructive interaction between the independent sector and the GBGB.

The RCPA already maintains an injury database but it has been put to us in evidence, although not by the RCPA, that its injury recording system is in some respects incomplete. We are told that it includes only such injuries as are estimated by the track vet to require a lay-off of over six weeks; and that it excludes injuries resulting in immediate euthanasia, as well as all of those requiring less than a six week lay-off. In effect, this means that only serious injuries are recorded and so the incidence of injuries in general is likely to be much higher, including those that do not manifest themselves until the following day or even later. Such methodology is clearly inadequate for collating the complete and reliable information on which to base injury prevention measures.

There appears to be agreement between the current regulator and the Society of Greyhound Veterinarians that a database similar to that used by the British Horseracing Authority would provide a useful model. The BHA database is generally perceived to have been effective, not only for recording but also facilitating research into injury causes in horses.

We understand that there have already been discussions between the main parties and with the BHA in an effort to take this issue forward although progress is reported to be slow. The GBGB needs to maintain this initiative and to regenerate momentum. It is for the governing body to agree, within its Committee structure and with expert veterinary advice, common standards for injury classification and reporting. As a point of principle, it should be a requirement that all reports are certified as accurate by the vet concerned when forwarding to the governing body, irrespective of whether the track is a licensed track or not.

We note that the NGRC has already developed the ability to gather and collate information through its network of track vets, underpinned by UKAS accreditation so that any sample of figures is verifiable. But the system is not yet in place. It is a matter of considerable regret that, after many decades of greyhound racing, there is still no comprehensive, verifiable injury data available.

It is, we believe, of crucial importance for the welfare of the racing greyhound and the confidence of the general public and greyhound welfare interests that a properly managed and comprehensive injury database be constructed as soon as possible. We see no reason why the injury statistics for individual tracks

should be publicly available; the value would lie in an aggregated, anonymised dataset, although the data held centrally on each track should of course be available to that track. If possible, there is obvious value in involving the Irish Greyhound Board and we are informed that they have signalled their willingness to be engaged. We see this as another welcome opportunity for cross-border co-operation which should be taken forward as a matter of priority.

Attendant Issues

Greyhound Stud Book.

The Stud Book records all puppies whelped in Great Britain. These births are notified to the NGRC which allocates a unique earmarking which is then carried out by earmarking stewards. At the moment, we are informed, this information exchange takes place by post. It would seem an obvious candidate for automation.

PA Sport.

A system such as we have described above, which would allow greyhounds absent from kennel strength to be identified, would also provide an opportunity to highlight a situation in which a greyhound has not run for a specified period of time. This is a mechanism currently used for helping to identify retired greyhounds but would also be beneficial to the tracking across the wider spectrum of registered greyhounds.

It should be possible for PA Sport to “flag up” to the database manager a greyhound that has not run for, say, 28 days – or whatever time span experience showed to be optimal for the purpose. This would facilitate the tracking of registered greyhounds thus, hopefully, deterring persons from disposing of them illegally and helping to catch those that do.

Conclusion

Greyhound racing involves some thousands of dogs which are owned, bred and trained by a large and diverse community covering the whole of the United Kingdom and the Republic of Ireland. By its nature, the sport needs fit and healthy greyhounds to race across some 30 licensed tracks and perhaps 14 or 15 unlicensed tracks in Great Britain. Although the life span of a greyhound may be up to 12 years, it is unlikely to race much beyond 5 years of age and the majority finish racing well before that.

Thus the turnover of greyhounds coming into and leaving the sport every year is inevitably very high and it is small wonder that tracking and tracing the whereabouts of each one has proved so challenging in the past, to the extent

that the degree of accountability has been unacceptably low. The IT systems and software packages needed to monitor and manage the task of registering and then subsequently tracking and tracing individuals are not excessively complex. Nor, indeed, are the mechanisms for reporting and recording injuries. However, it is the quality of the information that goes into the database and the communications infrastructure which enables such inputs to be made which are the keys to a successful system. These are management issues.

Whilst good progress has been made in certain areas, developments have, it appears to us, been difficult to achieve and there has been little consensus between the different interests within the industry as to the priority to be afforded to the various initiatives, some of which have, as a consequence, failed to make progress, to the detriment of greyhound welfare.

It is to be hoped and expected that the establishment of a single governing body, with a staff structure which is responsive to Board and executive direction, should be well positioned to define its IT requirements clearly and to allocate both management and financial priority to putting an efficient and effective system in place as soon as possible.

Any new system will of course take time to bed down and it could well take several years to build up the full picture. But until a comprehensive programme is put in place and implemented with the appropriate protocols to make it work on the ground, the current inability to track and trace each greyhound will not be resolved.

Chapter 15

THE ROLE OF VETERINARY SURGEONS IN GREYHOUND REGULATION

Introduction

Veterinary surgeons play an important role in the conduct of greyhound racing in Great Britain and, if satisfactorily and fully integrated into the sport could and should contribute even more to its good regulation and welfare. Indeed, the new animal welfare legislation will make veterinary surgeons key players in the delivery of welfare provision in greyhound racing and those that run, regulate and promote the sport, in both its licensed and unlicensed guises, need to be aware of this and be prepared to make appropriate adjustments to accommodate the realities of the changed legislative environment.

Veterinary surgeons currently carry out two prime functions as the agents, although not directly paid employees, of the NGRC: as track veterinarians and as kennel veterinarians. They also often provide private clinical services from their professional practices for the owners and trainers of greyhounds, but that is extra-regulatory and not of concern to us here. Veterinary surgeons are the professional people in the industry who look after the greyhounds without the emotional bias of the owner and without the financial interest of the commercial operators, be they professional trainers or promoters. They do so with the purpose of helping to maintain the integrity of the sport and, especially, of ensuring the welfare and fitness of individual racing greyhounds.

The Society of Greyhound Veterinarians

Veterinary surgeons are separately and professionally regulated as registered members of the Royal College of Veterinary Surgeons (RCVS) and, as such, subject to rigorous professional standards. They are particularly represented in relation to greyhound racing by the Society of Greyhound Veterinarians (SGV). The SGV was founded in 1965 and became affiliated to the British Veterinary Association as a non-territorial division the following year. Its founding objectives were to promote knowledge of the racing greyhound and to seek enhancement of the status of veterinary surgeons working at tracks. It is currently represented on seven important welfare committees and makes positive contributions to the sport via inputs to policy developments, organising research conferences and encouraging veterinary students to take an interest in greyhound racing. However, it is not clear how many racing greyhound veterinarians the SGV actually represents; it sometimes appears divided and has displeased authorities within the industry. Nevertheless, the SGV relies heavily on the BGRB for funding towards its administrative costs.

This Review received substantial evidence relating to the role of veterinary

surgeons in the sport, primarily, though not exclusively, from the official veterinary bodies and from individual vets with much experience in greyhound racing. The thrust of that evidence described problems and suggested reforms in a number of areas, mainly concerning track vets. Their evidence generally related to the licensing, training, employment, authority, payment and independence of vets. These issues are summarised below together with our consequential recommendations.

Veterinary Support at Tracks

Track veterinarians are licensed by the NGRC but are employed and paid directly by the racecourse executives at the tracks at which they work. In their evidence to us, many vets claimed that their employment relationship can create a conflict of interest between their own professional judgement on greyhound welfare matters and the commercial interests of their employers. As a result, many feel that their independence is compromised and that they cannot fully express their views or exercise their professional skills without fear of adverse consequences: put bluntly, that they may in such a situation feel intimidated by their employers. But they must balance this against the fact that, ultimately, they must be guided by the RCVS which exists and serves to enforce its *raison d'être*: to *“safeguard the health and welfare of animals committed to veterinary care through the regulation of the educational, ethical and clinical standards of the veterinary profession, thereby protecting the interests of those dependent on animals and assuring public health”*.

Nevertheless, examples quoted include the issues arising when a track vet, or indeed an owner or trainer, feels that it is in the greyhound's interest to be withdrawn from a race on welfare grounds, yet the racecourse management will want to resist such withdrawal because of its commercial and especially betting need to fill a race card with runners in every trap. The track vet might also, for the dog's health reasons, wish to secure greater time intervals between when a greyhound races. Most serious would be if the vet were to conclude that the quality of a track surface was dangerous and threatening greyhound welfare and injuries, but is aware that cancellation of a meeting on those grounds would have damaging financial consequences for the promoter. Some vets believe that, if they took radical actions on welfare grounds in those situations, their own employment would be jeopardised; on the other hand, if they did not take what they believed to be appropriate action and a complaint were made to the RCVS and upheld, they would be vulnerable to disciplinary action from that quarter.

We have considered these potentially conflicting issues carefully and believe that owners/trainers should not be penalised for withdrawing their greyhounds from a race because of fear of injury if the veterinary surgeon, who under these recommendations has greyhound welfare as a prime responsibility, is convinced that such withdrawal is being made for genuine welfare or health

reasons. Indeed, between them, the veterinary surgeon and/or the owner/trainer in charge of the greyhound at the time may have no choice but seek such withdrawal under their Duty of Care obligations if, by failing to do so, they knowingly put the animal at risk.

In the practice of everyday racing the situations are probably not as acute as this. It might not be a choice of either the vet complying or being punished. Few vets are dismissed and any promoter threatening dismissal must now, under new BGRB appeal procedures, justify such dismissal to the Board or lose the financial payments currently made from the BGRF to tracks to support the provision of veterinary/welfare services. Many track vets maintain long and satisfactory relationships with a particular course. That personal relationship has an aspect of mutual trust and understanding of benefit to both sides. But there is a danger that the track relationship becomes too “cosy” and that welfare compromises may be made along the way and this causes concern. As Dogs Trust stated in its evidence, the track vet is “the only welfare professional present on the racecourse and must therefore be independent enough to be able to voice concerns about welfare with authority and without fear of repercussions”.

Vets also observe in more general terms that their perceived lack of independence leads to them suffering a lack of professional authority when dealing with track management, trainers or stewards, who may feel they can ignore a vet’s advice with impunity. These problems of authority can be accentuated if the track vet – as the authors of this Review have personally observed – is, on the night, the youngest and least experienced of a local practice.

This issue of authority is now thrown into sharp relief and has become even more important as the Animal Welfare Act takes effect. Anyone conducting greyhound racing at a meeting may, in a particular instance, commit an alleged offence if they are a “person responsible to ensure welfare” and they fail in that duty; a responsibility more usually referred to as the Duty of Care. A track vet will, it seems to us, certainly be one of those who is a “person responsible to ensure welfare” and will thus have a prime obligation to carry out and enforce that Duty. It is therefore evident that a track vet must be equipped with the appropriate authority in relation to other officials to enable that statutory duty to be discharged without fear or favour.

Historically, it was usually assumed and accepted that the professional MRCVS qualification was evidence enough to guarantee a vet’s unquestioned independence and that all veterinary functions would therefore be carried out in a manner beyond influence and bias.

Track operators, who select and pay a vet with whom they feel comfortable – or trainers employing their local friendly vets to inspect their kennels – still cite this argument, as they did in evidence to us. They resist suggestions that there may well be an inherent conflict of interest for a vet, who they pay to inspect their facilities, but who is then in the position of making a recommendation as to the continuance of their licence. These practitioners may well be correct and justified about the independent judgement of their own particular vets. But recent professional practice, including the modern principles of good governance and the advent of modern audit, does require that the independence of professional advice is transparently visible as well as rigorously followed. We therefore see a case for the introduction of an independent veterinary inspection regime for licensing.

Terms and Conditions of Employment

The terms and conditions of employment of veterinary surgeons, or lack of them, are clearly at the root of the independence of track vets and this Review received much advice on ways in which improvements might be introduced which would ensure greater independence for vets.

Some witnesses, including vets and welfare bodies, suggested that a centralised system of employment and payment by the Regulator would be desirable. This would have the advantage that the vets would be guaranteed independence from the track promoters and would not feel intimidated by them nor fear financial punishment should they take decisions on welfare grounds which offended the commercial interests of the operators. We have carefully considered these arguments.

However, the advantages and disadvantages of this approach are not all one-way. A centralised system might in practice prove inflexible, bureaucratic and not sufficiently responsive to the local needs and varying conditions represented by tracks of different size, with different scales and work loads. It might overturn longstanding relationships between a local track and its veterinary practice which already enjoys a proper balance of independence and mutual respect.

Therefore we propose a hybrid solution: one which seeks to strengthen the independence and authority of track vets but without the rigidities of a fully centralised system and without destroying existing valuable relationships with track management.

Local Contracts

As the figures below demonstrate, we are aware that by no means all track vets, and possibly even an overall minority, have a written contract with the track or tracks they serve. We do not think that this is acceptable in a modern

professional regulatory environment, where the welfare of the racing greyhound is paramount. On the other hand, we recognise that not all tracks are the same and that, in particular, there are wide variations in levels of remuneration around the country and in work load at different tracks. This militates against a centralised system of contracts which, we think, would inevitably result in increased overall costs on the industry. We therefore propose that it should be a condition of a track licence that a contract exists with a veterinary surgeon or veterinary practice for the provision of services but that such contract be limited in scope to defining attendance commitments, rates of remuneration and notice periods which apply locally.

Standard National Service Level Agreements

Whilst we accept that variations between tracks may exist in limited spheres, such as remuneration and work load, we do not accept that there needs to be any variation in the overall level of professional services provided by vets or in the facilities and authorities provided to them by the tracks in order for them to deliver those services. We therefore propose that the local contracts should be backed up by a standard national Service Level Agreement (SLA), acceptance of which would also be a condition of both track and vet licensing. We consider that such a contract would provide the security sought by vets whilst acknowledging and accommodating the variations referred to above.

The proposed SLA should be formally agreed and drawn up between the SGV, in consultation with the RCVS, and the RCPA under the auspices of the GBGB Committee structure and subject to approval by the Greyhound Regulatory Board. It would be applicable to all licensed tracks and vets. We suggest that its contents, in no particular order and without seeking to be exhaustive, might include:

- Recognition that welfare is a key responsibility of the licensed veterinary surgeon.
- Definition of racing and welfare matters over which the vet, while conducting due consultation with track operators and other relevant officials, would have ultimate authority. Such issues could include the powers to require an unfit hound to be withdrawn; and to stop racing at a track in a clearly defined set of circumstances which, in the opinion of the vet, may give rise to a significant risk to animal health or welfare.
- Specification of the requisite veterinary qualifications required to practise as a track vet, including: proven experience in a small animal practice dealing regularly with dogs; a stipulated minimum level of specialist greyhound-related training ensuring the ability to deal efficiently with major trauma; and a minimum number of professionally supervised attendances at the relevant greyhound track.

In this context, it should be noted that the SGV, as the appropriate specialist division of the British Veterinary Association, and the RCVS are currently working on a specialist course which can be delivered by distance learning. A one-day attendance course could provide the requisite formal training prior to licensing by the regulator.

- Assurance that track vets have the requisite knowledge of the Rules of Racing and receive all updates and information from the Regulator relevant to the conduct of their professional tasks.
- Guarantee by the track operator that minimum agreed professional standards in the provision of veterinary facilities would be provided. This guarantee would cover such items (non-exhaustive) as the provision of a clean, properly maintained and suitably equipped vet's room; hot and cold running water; and adequate heat, light and ventilation.

Safeguarding of Independence and Termination

Within the context of the framework outlined above, in which such issues as remuneration and notice periods are agreed under local contract but there is a standardised, centrally agreed definition of the services and facilities to be provided by both track and vet, we consider that the issue of the independence of the vet is to a considerable extent addressed. Where there is a written standard, it becomes much easier to define whether a vet is acting within a defined authority in a given situation and whether a track promoter is or is not complying with the terms of the SLA in the quality and/or quantity of the facilities provided. Either side would have immediate recourse to the Regulator to seek redress where appropriate. However, we would recommend retention of the sanction which currently exists whereby the GBGB, with its veterinary expertise, could authorise the withholding of the veterinary support payments to any track which could not justify terminating the employment of its vet in circumstances where the vet was acting within the terms and conditions of the SLA. For example, where the vet under threat could show that he or she had properly exercised professional judgement in insisting that a dog be withdrawn or a meeting be cancelled because of a dangerous track surface, then that would not be held to be justifiable grounds for terminating that vet's employment.

As a corollary to this, we recommend that the governing body should also require and ensure that, unlike now, all the money paid as support payments to tracks to assist with the funding of veterinary services should go in full to the vet or veterinary practice concerned or, by local agreement, towards enhancing the veterinary facilities at the track.

We believe that this hybrid system of local contracts backed up by a standard national SLA and underpinned by the safeguard described above would provide the security sought by vets and the flexibility necessary to allow for regional variations of remuneration and the marked differences of work load experienced at various tracks. Furthermore, we consider that an interlocking and mutually dependent structure such as we have described will be helpful in ensuring that all parties are well equipped to recognise and respond to their responsibilities under the Animal Welfare Act in the context of greyhound racing.

Veterinary Facilities at Tracks

It appears from evidence presented to us, together with our own limited observations during visits to tracks, that the quality of track veterinary facilities varies and in some cases there appear to be grounds for improvement through further investment.

Specific evidence is provided in a recent track survey of 17 licensed tracks conducted by the SGV in June 2007 and given in evidence to us (any further survey conducted at unlicensed tracks would be of great value). Among points of interest which emerged are the following:

- All but one respondent felt that the vet's rooms were suitable only for basic examination and minor sutures, while 2/3^{rds} said the rooms were not suitable for major sutures.
- Half of the vet's rooms allegedly had inadequate lighting or ventilation, most had no kennel in the room and one had no running hot or cold water.
- One third had no stretcher available at the track and 2/3^{rds} of the tracks did not themselves supply veterinary instruments, dressings, etc.
- Four respondents stated that the maintenance of the track facilities was unsatisfactory.
- An average of 30 greyhounds per year were euthanised at each track. A quarter of the tracks did not pay for euthanasia nor for the treatment of injured dogs, although at least one independent track does both.
- Ten of the 17 tracks surveyed had no contractual arrangement with their vets (there was an average of 4 vets licensed per track).

This survey would probably be viewed differently by the track operators than by the participating vets. But it certainly suggests that the veterinary situation at some tracks could be significantly improved. We would recommend that a

schedule of minimum veterinary facilities (including, but not limited to, such basic essentials as the provision of a running hot water supply) were to be agreed between the Regulator, the promoters and the SGV. Indeed, as already mentioned above, such a schedule would in any event be an integral part of the national SLA which would prescribe the minimum level of veterinary facilities to be provided and maintained by the tracks.

Nevertheless, we suggest that the sport's Regulator should inspect veterinary provision at tracks more rigorously and systematically and, where appropriate, insist on improvements before approving or renewing a track operator's licence. Under the SLA system, of course, it would be possible for the Regulator to issue an Improvement Notice to any track found in breach of the conditions in the SLA, requiring deficiencies to be corrected within a given timescale. Failure to comply with the Notice would result in suspension of the track operating licence until the deficiencies had been corrected.

Kennel Vets

The issue of kennel vets is in some ways distinct from that of the track vets surveyed above.

The kennels in which each licensed greyhound trainer keeps his or her dogs are subject to mandatory inspection. In 2006, stipendiary stewards carried out over 2000 such inspections and another 900+ were conducted by vets. But the inspecting kennel vets do not have to be licensed by the NGRC nor trained for greyhound industry or welfare purposes. They are, in general, from local veterinary practices, often with longstanding relationships with the trainers, although apparently some are retired itinerant vets. As such, they may well be perfectly satisfactory for the inspection purposes required, but this quality is not guaranteed under the present system.

Concerns were expressed to this Review that the present system of kennel inspection is far from satisfactory everywhere. The SGV claimed that there are *"gross inconsistencies in the standards of their inspections"*. Contributory causes of this failing are said to be excessive workloads of the inspecting stewards and the fact that the local vets inspections are executed by vets chosen by the trainers themselves: *"a system which allows a conflict of interest and one which the SGV feels lack consistency, accountability and transparency"*. As noted, the latter kennel vets are not specifically licensed by the NGRC, nor is any form of proven experience required for the task. The SGV concludes that it wishes to see *"some form of regular inspection and licensing of all greyhound kennels and the greyhounds housed in them"*; and that inspections should be by licensed vets accredited with a minimum of training and experience. We agree and recommend that the Greyhound Regulatory Board introduces such independent veterinary inspection.

Licensing of Veterinary Surgeons

The SGV presented to this Review strong arguments – which relate to the various veterinary issues and problems described above – for improving the procedures for licensing greyhound vets. According to this view, the current NGRC procedures for licensing vets are a virtual formality and require too little serious demonstration of specialist competence in greyhound racing. For instance, to work at licensed tracks, vets must presently become a “licensed official” possessing a valid photographic licence, but few conditions are required to be met prior to the issue of this licence. Moreover, with track vets, the application is submitted to the NGRC by the tracks themselves and the approved track licence is returned to the track management, possibly without the knowledge of the vet concerned.

This Review accepts that it is desirable to establish licensing procedures for vets which are more meaningful and substantive and less of a formality. The objective should be to have procedures and conditions which ensure that the appointed vet is someone who is competent, trained and experienced to provide the necessary level of greyhound veterinary service. It may be that all current track vets are so qualified, but it would be better if the procedures could be seen to guarantee this outcome. Indeed they would have to do so; under the national SLA, a vet would need to demonstrate an appropriate level of specialist training and experience before he/she could provide track veterinary services in compliance with the provisions of that Agreement.

The following proposals with relation to vet licensing would help to deliver that objective and should be considered on the agenda of the Greyhound Regulatory Board:

- Licence applications and renewals must be signed by the relevant veterinary surgeon, with his RCVS registration number to ensure that the applicant has the legal right to practise. Licences should be conveyed to the relevant vet.
- Applicants should be suitably qualified with at least 2 years veterinary experience (the British Horseracing Authority (BHA) requires 5 years experience for service in horse racing) and with proven greyhound racing experience (eg, certified attendance at a track under supervision of a licensed veterinary surgeon for a minimum of 5 meetings).
- Appropriate training and accreditation should be provided for greyhound vets as qualifications for being licensed.
- Only vets with such qualifications should inspect the kennels of trainers with more than 5 greyhounds.

- Licensed vets should receive directly copies of the Rules of Racing, the Calendar, updates and details of the Area Stipendiary Stewards.
- Licensed vets should be required to undertake appropriate continuous professional development training. In this context, we note that the NGRC has already started 1-day seminars for licensed vets; we welcome this initiative and consider that, in future, attendance at such seminars should be a CPD¹⁷ requirement.

As suggested above, these procedures and conditions would, where relevant, be included in the SLA between the track vets and the tracks as well as being part of the conditions of track and vet licensing.

Conclusion

With the introduction of such an enhanced status and guaranteed qualifications for veterinary surgeons operating at greyhound tracks, together with them having welfare as a specified key responsibility, there should be no need to spend money, as at present, on employing amateur, part-time “welfare officers”, who are said to be sometimes inadequate for the tasks involved, or may be conflicted by fulfilling a dual role in racing management.

This Review has no desire to impose on greyhound racing a superstructure of expensive regulatory bureaucracy nor of welfare supervision. The above suggestions for improving veterinary licensing, training, inspection, independence, authority and track facilities would require only relatively modest expenditure of money, time and supervision. We believe that they would provide significant benefits, both in terms of better conduct of the sport and in making it more defensible against the growing criticisms from the welfare bodies.

When considering these reforms, it might be borne in mind that veterinary supervision in British horseracing is much more elaborate and rigorous than that which we propose for greyhound racing. The regulatory arm of the BHA closely monitors veterinary provision at British racecourses. The BHA itself directly employs, on a regional basis, a number of specifically qualified full-time vets who attend race meetings on a daily basis (we do not propose anything like that). In addition, each racecourse employs a minimum of 2 vets – 3 for National Hunt racing – who must hold the minimum veterinary qualifications and experience laid down by the Regulator.

We do not wish or propose to over-play the analogy between these two sports which are different in many ways, especially in terms of scale and financial

¹⁷ Continuing Professional Development

support. Greyhound racing does not need and could not afford veterinary provision on the scale provided in horseracing. But the example of having a properly qualified veterinary service throughout the sport, which has appropriate independence from the commercial promoter and which operates under the oversight of the Regulator, is one which greyhound racing must, we believe, pursue, albeit commensurate with its more limited financial resource.

This improvement of veterinary provision along the lines proposed should be a priority item on the agenda of the GBGB in general and the Greyhound Regulatory Board in particular.

PART 5

TRANSITION TO THE NEW

GREYHOUND BOARD OF GREAT BRITAIN

Chapter 16

GREYHOUND BOARD OF GREAT BRITAIN **TRANSITION ARRANGEMENTS**

The First Steps

Moving from the present, often-complex structure of regulation and governance in the British greyhound racing industry to the new unitary body proposed in this Report will require careful and detailed planning. During the (we recommend short) period of transition, the intensive regulatory activities of the NGRC, the current administration by the BGRB and the daily commercial and sporting operations of the racetrack promoters will have to proceed unhindered until the new arrangements are in place.

However, while racing business continues as normal, a new system for running greyhound racing must be minutely prepared so that the final transition is seamless. The present governing and regulatory boards must immediately go through their constitutional processes to agree and implement the changes - a challenging process since not all members will automatically be enthused with the prospect of reform. Existing legal arrangements and relationships must be properly terminated and fresh ones put in place. New staff may need to be recruited and existing staff must be readied for their new situations, possibly in a new location and with unfamiliar colleagues. This project of transition will be testing and time-consuming. Below we suggest ways in which the schedule of this transition may be conducted with efficiency and, most importantly, without the kind of delays which might jeopardize the whole project.

The key to moving rapidly and effectively to the proposed new system for governing and regulating British greyhound racing will, in our view, be the swift establishment of a body to supervise that process of transition - which might be called the Transition Committee. In addition to it, there needs to be set up a separate Appointments and Nominations Committee to oversee the appointments of officers to the new Greyhound Board of Great Britain (GBGB).

The Transition Committee

The Transition Committee should be appointed and convened as rapidly as constitutionally possible after the publication of this Report. It should not be a representative body, though the key stakeholders, the BGRB and the NGRC, should be represented on it in order to help carry the support of their members for its decisions. Its prime purpose would be speedy decision-making and overseeing the implementation of these decisions to ensure an efficient transition to the new GBGB. Therefore the Transition Committee should be

small in number and composed of those best qualified to secure that prime objective. Our suggestion is that it might contain 5 members: for example, one of the three independent appointees on the BGRB, a Steward of the NGRC, a representative of the Promoters Association and the 2 independent authors of this report to ensure momentum towards conclusions in line with the Report. Thus a majority of the Transition Committee would be independent while the three main constituent parties of the industry - the Board, the NGRC and the Promoters - would be present to represent and deliver those stakeholders. The chairman of this Transition Committee should be independent and not from any of the current stakeholder bodies.

It is also very important that one member of the Transition Committee should have the central role and responsibility for coordinating all aspects of the transition and for moving the reform agenda swiftly forward. This position, which might be termed the Transition Coordinator, could appropriately be held by the present Assistant to the Chairman of this Review, who is a proven administrator with intimate knowledge of the thinking behind the reform proposals.

We envisage that the Transition process will be initiated jointly by the BGRB and the NGRC who commissioned this Report.

The Appointments and Nominations Committee

The Appointments and Nominations Committee would oversee the advertisements, interviews and recommended selections for vacancies at the new GBGB. Its conclusions would be submitted to the Transition Committee, with the expectation that they would not be rejected without serious cause. We consider that, in setting up the new bodies, the principal economic drivers of the industry should play the main role in selecting the key senior appointments within the governance and regulatory structure and thus recommend that the Committee be composed of 3 members (none of whom would be assumed to have an interest in any vacancies) comprising the chairman of the Transition Committee sitting with two members of the BGRF, one nominated from among the promoters on the BGRF Board and one from among the bookmakers. The Appointments and Nominations Committee would be assisted by the Transition Co-ordinator.

The Transition Committee at its first meeting should confirm which GBGB vacancies should be subject to public advertisement. (As a private body the GBGB need not necessarily be subject to the 'Nolan Rules' for the public sector, though it might adopt some of them as 'good governance').

The positions of independent directors on the new Board might appropriately be subject to open competition, as certainly should be the chairmen of both the

GBGB Main Board and the Greyhound Regulatory Board, as well as the new post of Chief Executive, whose total remuneration should be sufficient to attract properly qualified candidates working in London. Appointments for other staff positions will depend on which, if any, vacancies emerge. However it is our view that many existing staff are well qualified to serve in equivalent positions on the new body. However, all these questions of principle and of detail on appointments would be for the Transition Committee to decide and the Appointments and Nominations Committee to implement where necessary.

The Agenda for the Transition Committee

The agenda for the first meeting of the Transition Committee will be critical in giving priority to those issues which must be processed with expedition in order to achieve the agreed timetable - which itself should be a main item for decision. These initial issues might include:

- The job descriptions of any new appointments should be agreed and passed to the Appointments and Nominations Committee in order that, where relevant, the advertisements, interviews and recommendations for these positions might be executed as soon as possible.
- The legal and accountancy firms employed to oversee the formal transitions to the new GBGB structure should be appointed and instructed to proceed promptly with the necessary preparatory work.

In the above appointments processes, it should be emphasised that the persons and parties currently in post, having the virtues of relevant experience and continuity, would be considered for renewal and should be encouraged to apply along with outside candidates.

- A paper should be commissioned immediately to examine possible property sites for the future location of the new GBGB. Work on this paper might be overseen by the proposed Transition Coordinator, operating in conjunction with the chairman of the BGRB and the Chief Executive of the NGRC. They might utilise the recent experience of the BGRB when seeking new premises and urgently bear in mind the length of time usually taken when moving premises.
- A public relations media strategy should be commissioned - not reactive but producing a positive campaign culminating in the launch of the new GBGB in 2008.
- Crucially, the funding arrangements for the transition process must be secured as soon as possible. A realistic budget should be rapidly

prepared including the costs of legal services; audit and accountancy; recruitment; advertising; IT; public relations; consultancy (particularly in relation to the new IT arrangements required by the GBGB and with reference to the number of additional stewards to be appointed by the GRRB); printing; relocation; and the Transitional Committee's own expenses. This budget should be confirmed urgently by the Transition Committee and submitted to the BGRF and the bookmakers for their agreement or amendment. It has been estimated that £500K will be needed to implement the transition and such funds should be separately ring-fenced. Arrangements for the industry's 2008 budget may need to be adjusted accordingly.

- At this first meeting of the Transition Committee there should be proposed and agreed a detailed timetable for the achievement of each of the specific conditions necessary for a successful ultimate transition to the new GBGB - which should take in all no more than 6 months. A paper outlining this timetable could be prepared and presented by the Transition Coordinator.

Defra, DCMS and the bookmakers should be informed of the proceedings and decisions of this and subsequent meetings of the Transition Committee.

It is crucial that clear decisions be taken at the first meeting of the Transition Committee on the above issues of appointments, legal preparations, finance, location, relations with government, media and stakeholders, and on the schedule for achieving the necessary conditions for a successful transition to the new GBGB within the agreed timetable. Although we recognise that stakeholder members of the Transition Committee may feel it necessary to refer back to their constituents, it would be helpful if they secured prior authority to agree items on the above agenda. The early appointment of a new Chief Executive would facilitate the timely achievement of this transition process.

At subsequent regular meetings, the Transition Committee would be primarily concerned to ensure that this agreed timetable is being met. The agendas for those meetings would reflect that need. Therefore the committee would be occupied with such matters as the legal establishment of the GBGB and the GRB, the appropriate amendment of all regulatory documents, the contracts of employment for staff, the new IT arrangements and the reorganisation of databases as suggested in this Report, and any move to new premises. It would be important to monitor the progress of the legal advisers to ensure that all documentation for the new GBGB is in place within the proposed timetable and within the budget.

The Transition Committee should arrange to be informed of all concurrent decisions by the BGRB and the NGRC during this period which might have relevant implications - especially financial implications - for the transition process or for the future working of the GBGB. The two bodies should be careful not to launch initiatives during this transition period which may preempt or run contrary to policies which the new GBGB might prefer.

Depending upon timing and speed of implementation, it may be necessary to revisit the 2008 budget but this will be for the respective Boards of the GBGB and the BGRF to negotiate should the need arise. Towards the conclusion of the transition, the Committee would need to consider with particular care the legal situation with regard to disciplinary cases still under consideration at the time when the transition from the old to the new legal entities actually takes place.

Staff Work for the Transition

The transitional process will require significant additional staff work. It is unlikely that the NGRC will be able to provide much of this extra labour since it is a 'tight ship', often stretched to cover its current work load and with little scope for assuming further burdens. The heavy obligations of current integrity regulation must continue unhindered during the period of transition. Nevertheless, it makes sense that the extra administrative tasks of implementing the transition should be mainly undertaken by senior staff from both organisations working closely together; we would therefore envisage the General Secretary of the BGRB and the NGRC's General Manager forming the core team, working with the help and co-operation of the independent Transition Coordinator. Their accountability would be to the Transition Committee.

Furthermore, a considerable proportion of the legal and documentary changes involved in the transition will specifically relate to the regulatory functions of the old and the new bodies and the expertise of the NGRC is bound to be frequently called upon.

Timetable to the Conclusion of the Transition

In timetable terms, with a schedule aimed to conclude the transition within 6 months, the Transition Committee should particularly ensure that the selection of new appointments is made within 2 months so that the first meeting of the 'shadow GBGB' can be held within 3 months. This 'shadow GBGB', though still lacking legal authority, could at that point effectively approve the agreed transition process and the new staffing arrangements, could consider the options for office location and, if appropriate, propose fresh items for the

Transition Committee agenda.

At the point when all the scheduled conditions, objectives and legalities have been secured, the BGRB and the NGRC will cease to have legal status and the new GBGB would become the legal entity registered at Companies House to conduct licensed greyhound racing in Britain. On that day the first formal meeting of the GBGB might take place.

Conclusion

The above schedule of transition is heavy, the timetable which we have proposed is tight and it will require a dedication of financial resource. We are also aware that the greyhound industry has not always had a history of rapid decision-making, nor of quick, efficient and consensual implementation of change. For this reason, we have recommended a strong degree of independent input whilst preserving a realistic level of stakeholder involvement. But this transition timetable is composed on the assumption that institutional modernisation is best executed as rapidly as possible, once the plans have been carefully made.

**INDEPENDENT REVIEW OF THE GREYHOUND INDUSTRY
IN GREAT BRITAIN**

Terms of Reference

The Terms of Reference for the Independent Review were as follows:

- To review the current and future regulation of greyhound racing and to make recommendations as to what changes are needed in respect of regulation at the NGRC and elsewhere.
- To ensure that regulation of greyhound racing is efficient and effective and embraces the principles of modern regulation, namely:
 - Proportionality
 - Accountability
 - Consistency
 - Targeting
 - Transparency
- There shall be no impediment to the Chairman commenting on other matters relevant to regulation issues.

SUMMARY OF RECOMMENDATIONS

1. The greyhound racing industry should remain self-regulated providing it adopts the proposed reforms.

THE NEW GOVERNING AND REGULATORY AUTHORITY

2. To create a single entity to conduct the governance, administration, finance and regulation of greyhound racing, to be called the Greyhound Board of Great Britain (GBGB)

3. The single main Board of the GBGB shall be smaller than at present and contain an increased proportion of independent members. It would contain 10 members: 3 promoters, 1 practitioner, 3 independents (including one from the Regulatory Board), plus the independent chairman of the Regulatory Board, the Chief Executive (who is also on the Regulatory Board) and an independent Chairman having a casting vote. Any proposition would need some independent support to succeed.

4. A separate Stewards Disciplinary Committee to be created.

5. The existing committee structure to be strengthened.

6. Many of the existing staff to be employed in the new structure

7. Early review to establish the number of Stewards and officers required to carry out the regulatory functions in the field, with the assumption that the number of Stipendiary Stewards should be increased – probably to at least 12.

8. Directors should serve no more than 4 years at a time, with a maximum of 8 years.

9. The funding of greyhound racing should be revised.

10. Consideration should be given to altering the payments for transmission licenses and track licenses, while bearing in mind any adverse impact on smaller tracks. Changes in other regulatory fees are suggested.

11. Registration fees should be increased and a percentage should be returned to the owner on evidence that the owner has secured the greyhound's future in accordance with Rule 18.

12. The Regulator should be represented on the BGRF Board and on its recommended interim replacement in the new governing structure, ie, at least

one of the 3 GBGB nominees should be from the Regulatory element.

13. The BGRF should in due course be disbanded and the Greyhound Levy funds be made available to the new GBGB to decide expenditure priorities in the interests of the sport. In the interim period - not exceeding 2 years - the Fund Board should be reduced by half to operate within the GBGB headquarters. Expenditure on welfare and integrity to be top-sliced from the budget.

14. The Regulator should enjoy the maximum independence compatible with its due accountability to the industry which finances it and which it serves.

WELFARE

15. Leading tracks, including BAGS tracks, must accept that they have a collective responsibility for driving the improved welfare agenda

16. Regulation of tracks under the new Animal Welfare Act and its secondary legislation - which will apply to independent as well as licensed tracks - might best be achieved through a hybrid system, whereby the sport's regulator would license tracks registered with the GBGB and local authorities, in cooperation with the GBGB, would enforce regulations at the independent tracks.

17. Recommendations are made for secondary legislation in relation to Breeding, Registration, Veterinary provision, Kennelling, Drug Testing and dog transportation.

18. The new ruling body to increase provision for re-homing retired greyhounds.

19. All racing greyhound breeders to be licensed by the Regulator and subject to veterinary supervision.

20. Breeding issues deriving from Ireland to be the subject of rapid negotiation between the British and Irish governments and racing authorities.

21. All greyhounds to be registered at birth or at time of ear-marking (12-15 weeks).

22. Improvements to be made in identification and tracking.

23. More graded races to be provided for veteran greyhounds.

24. Research to be commissioned into the desirable age at which greyhounds commence racing.

25. Validated statistics of track injuries to be centrally maintained.
26. More research to be commissioned into the breeding of sturdier greyhounds, into the quality of track surfaces, and into the relationship between greyhound nutrition and injuries.
27. A condition of track licences should be that a track operates an efficient dog re-homing scheme.
28. The industry should increase the financial support for retirement provision.
29. Liaison between British and Irish racing authorities to be systematically developed and Defra to establish a senior committee to assist this process at governmental level.
30. Recommendations for improved technology and procedures for data collection and record-keeping in the sport to ensure better tracking and tracing of greyhounds and the proper maintenance of a data base of injury statistics.

INDEPENDENT TRACKS

31. Greyhound Racing's authorities should encourage the positive aspects of independent racing and assist the better independent tracks to prosper and achieve common welfare and integrity standards.
32. The current Rules banning participation in independent racing should be dropped in favour of a revised Stud Book Name scheme. The greyhound authorities should consider offering more transitional incentives to encourage independent tracks to join licensed racing.

VETERINARIANS

33. The independence and authority of track veterinarians should be enhanced by the introduction of written local contracts covering attendance commitments, remuneration and notice periods. The issue of a track licence should be conditional on the existence of such contracts. These contracts would be backed up by a standard National Service Level Agreement covering the matters over which the veterinarian would have ultimate authority, primarily covering welfare, and requisite veterinary qualifications and minimum track veterinary facilities.
34. A schedule of minimum track veterinary facilities to be agreed and facilities improved.

35. More rigorous independent inspection by licensed and qualified veterinarians of trainers' kennels to be introduced.

36. The new Greyhound Regulatory Board should introduce improved arrangements for licensing and training veterinarians who act at tracks and inspect trainers' kennels.

TRANSITION TO THE GREYHOUND BOARD of GREAT BRITAIN

37. Detailed recommendations are made for the committee composition, agenda and timetable to ensure an expeditious transition to the new GBGB.

**PERSONS AND ORGANISATIONS WHO SUBMITTED WRITTEN
AND/OR ORAL EVIDENCE**

British Greyhound Racing Board

Lord Lipsey of Tooting Bec – Chairman
Barry Johnson – Independent Director
Richard Hayler – General Secretary
John Petrie – General Secretary (until 1st May 2007)

National Greyhound Racing Club

Edward Bentall – Senior Steward
Hazel Bentall – Veterinary Steward
Neville Dunnett – Steward
Linda Jones – Steward
Bill McDermott – Steward
Richard Shuster – Steward & Treasurer

British Greyhound Racing Fund

Charles Lenox-Conyngham – Chairman
Margaret Woodruff – Fund Secretary

Association of British Bookmakers

Tom Kelly – Chief Executive

Racecourse Promoters Association

John Curran - Kinsley
Clive Feltham – GRA
Clarke Osborne – Stadia UK
Simon Levingston – Secretary RCPA

Society of Greyhound Veterinarians

Frances Allen
Andrew Bartholomew
Mike Harvey
Diana Hodson
Richard Lockyer
Richard Payne
Michael Watts

Greyhound Trainers Association

Jim Reynolds - Chairman
John Haynes – Past Chairman

Federation of British Greyhound Owners' Associations

Stuart Locke-Hart

Greyhound Breeders Forum

Bob Gilling

Independent Greyhound Racing Association

Jason Gamble – Chairman
David Smith

Welfare Charities & Organisations

Dogs Trust
Greyhound Action
Greyhound Rescue - Wales
Greyhound Rescue – West of England
Greyhounds UK
Greyhounds' Voice
League Against Cruel Sports
Royal Society for the Prevention of Cruelty to Animals
Swiss Valley Greyhounds - Wales

Ireland

Adrian Neilan – Chief Executive – Bord na gCon
D J Histon – Deputy Chief Executive – Bord na gCon
Jerry Desmond – Chief Executive – Irish Coursing Club

Animals Need a Voice in Legislation (ANVIL) – Ireland
Rescued-Greyhound Owners Network (RGON – Ireland

Individual Submissions

Mr Floyd Amphlett – Greyhound Star
Mr Gordon Bissett – Ladbrokes plc
Mr Charles Blanning – Past Keeper of the Greyhound Stud Book
Mr Roy Brindley

Mr R G Britts
Ms Louise Clark
Mrs Jilly Cooper
Mr Alex Cull
Professor Edward Houghton
Mr Robert Hughes
Mr Sean Lawless
Mr Steven Saward – Betfair Ltd
Ms Tanya Stevenson – Channel 4 Television
Mr Terry Westwood
Mr Michael Wheble MBE
Mr S Wright

Government Bodies

We are grateful for the help and advice provided by officials at both Defra and the Local Authorities Coordinating Office on Regulatory Services (LACORS).

LIST OF ABBREVIATIONS

ABB:	Association of British Bookmakers
APGAW:	Associated Parliamentary Group on Animal Welfare
AWA:	Animal Welfare Act (2006)
BAGS:	Bookmakers Afternoon Greyhound Service (a co-operative of bookmakers formed to provide racing product to betting shops)
BGRB:	British Greyhound Racing Board (the sport's representative body)
BGRF:	British Greyhound Racing Fund (Made up of representatives from the sport and bookmakers to administer a particular money stream from the off course betting industry)
BHA:	British Horseracing Authority
DCMS:	Department of Culture, Media and Sport
Defra:	Department for Environment, Food and Rural Affairs
FBGOA:	Federation of British Greyhound Owners' Associations
GRA:	Greyhound Racing Association (a company promoting greyhound racing, it runs six tracks, including the very first, Belle Vue, and Wimbledon, home of the Derby)
GBGB:	Greyhound Board of Great Britain (proposed)
GRB:	Greyhound Regulatory Board (proposed)
GSB:	Greyhound Stud Book (for British-bred greyhounds)
GTA:	Greyhound Trainers' Association
GV:	Greyhound Voice (a greyhound welfare group)
HBLB:	Horserace Betting Levy Board
HFL Ltd:	The forensic laboratory which tests for drugs in greyhounds)
IGB:	Irish Greyhound Board, also commonly termed Bord na gCon
LACORS:	Local Authorities Coordinators of Regulatory Services

- LBO:** Licensed Betting Office
- NGRC:** National Greyhound Racing Club (the sport's regulator)
- PA Sport:** A division of the Press Association, runs greyhound industry form database
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- RCPA:** Racecourse Promoters' Association
- RCVS:** Royal College of Veterinary Surgeons
- RGT:** Retired Greyhound Trust (the sport's official retirement charity)
- SGV:** Society of Greyhound Veterinarians
- SIS:** Satellite Information Services Ltd
(a company that broadcasts racing and information to betting shops)
-
- SLA:** Service Level Agreement
- SP:** Starting Price (mechanism used to determine price that settles bets)
-
- UKAS:** United Kingdom Accreditation Service
(a national body that measures standards and competence)