



## Minister for Racing

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27 DEC 2017

Our ref: CD/17/673932

Mr Dale Monteith  
Chairman  
Harness Racing Victoria  
400 Epsom Road  
FLEMINGTON VIC 3031

Dear Mr Monteith

I am pleased to provide you with this Statement of Expectations (SOE) for Harness Racing Victoria (HRV). This SOE applies for the period 1 January 2018 to 30 June 2019, or until otherwise amended. It replaces the previous SOE that was in place for 2016-17 and was subsequently extended until 31 December 2017.

### **Improving the administration and enforcement of regulation**

As Minister for Racing, I am responsible for administering the *Racing Act 1958* (the Act). This SOE should be read within the context of the objectives, obligations and functions outlined in the Act.

This SOE sets out my expectations for HRV to achieve greater efficiency and effectiveness in the administration and enforcement of regulation. It also outlines my expectations on broader improvements for HRV's performance.

This SOE outlines key governance and performance objectives and targets aimed at improving the administration and enforcement of regulation.

### **Improvements and targets**

Based on consultation between the Department of Justice and Regulation and HRV, I have identified key areas where there are opportunities for HRV to make improvements. HRV is expected to identify activities it will undertake to achieve the following performance improvements and targets:

- Improved timeliness
  - Make it easier for participants to submit required data online
  - Reduce the time taken to finalise racing disciplinary matters
- Risk-based strategies
  - Improve HRV's inspection and swabbing programs to focus on areas of greatest risk to the achievement of regulatory outcomes
- Compliance related assistance and advice
  - Increase awareness and understanding amongst participants of their obligations as harness racing participants (including animal welfare requirements)
  - Increase awareness and understanding amongst participants of harness racing penalty framework

- Cooperation amongst regulators
  - Develop strategies to enhance cross-code collaboration and improve regulatory outcomes
- Accountability and transparency
  - Review and enhance the collection and publication of data on integrity and animal welfare outcomes

### **Reporting**

Reporting on your progress to achieve these SOE performance targets should be undertaken in the context of annual financial reporting to avoid dual reporting streams. I expect this report to include the:

- activities undertaken to meet the performance targets and improvements set out in this SOE
- baseline levels for any measurable performance targets
- outcomes of the activities undertaken to achieve those targets.

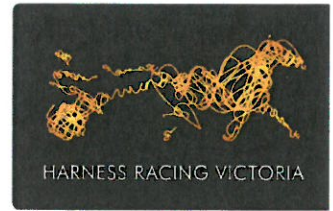
These SOE performance targets should be incorporated into HRV's Corporate Plan and this SOE should be published on HRV's website upon receipt. Your response to this SOE should also be published on the HRV website.

I look forward to seeing HRV continuously working towards achieving best practice in the administration and enforcement of regulation.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Martin Pakula', written in a cursive style.

**THE HON MARTIN PAKULA MP**  
**Minister for Racing**



7 February 2018

The Hon. Martin Pakula MP  
Minister for Racing  
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Dear Minister,

**Statement of Expectations for 2017 - 18**

On 27 December 2017 you provided your Statement of Expectations (SoE) for Harness Racing Victoria (HRV). The Statement communicated your expectations for HRV to contribute to the Government's program to achieve greater efficiency and effectiveness in the administration and enforcement of regulation.

HRV have summarised these expectations and intended HRV activities in the attached table.

In implementing these measures, HRV will continue to consult with relevant stakeholders, industry participants, the community and other government agencies. HRV will report its progress against your targets in its Annual Report.

HRV is proud of its record to date in progressing 2015-17 SoE initiatives which have increased transparency, service delivery and risk based approaches to regulatory enforcement that better serve the Harness Racing Industry.

Yours sincerely,

Dale Monteith  
Chair  
Harness Racing Victoria

## Improved timeliness

Make it easier for participants to submit required data online

Harness racing participants in Victoria have traditionally submitted licensing forms to HRV in hardcopy.

HRV has developed an online form to allow participants to submit licensing information electronically. HRV trialled the online form in 2017 prior to a full roll out for the 2018 licence renewal process. HRV will encourage its use by providing a discounted licence fee for online submission.

This change forms part of HRV's transition to more efficient digital services. As a first step, HRV is aiming to have 30% of participants submitting online licensing forms by 31 December 2018.

Reduce the time taken to finalise racing disciplinary matters

HRV recognises the importance of an efficient disciplinary system but notes that these processes can be frustrating for participants that are directly or indirectly affected. Whilst the time taken to finalise individual matters depends on the circumstances of a case, HRV will seek to make improvements to those processes within its control.

To reduce the time taken to finalise swab results, HRV will implement a Service Level Agreement (SLA) with Racing Analytical Services Limited by 31 October 2018. The SLA will establish requirements to reduce the time taken to complete swab analysis from an average of 15 days in September 2017 to 11 days by December 2018.

HRV will also implement an 'Early Plea Resolution Procedure' to facilitate the efficient resolution of Racing Appeals and Disciplinary Board where a participant indicates that they will plead guilty to a charge. This will streamline the process for all involved without infringing on a licensed participants right to contest an allegation.

HRV will continue to review its processes to identify further opportunities to streamline disciplinary processes.

## Risk-based strategies

Improve HRV's inspection and swabbing programs to focus on areas of greatest risk to the achievement of regulatory outcomes

HRV currently conducts pre-race and post-race swabs to test for prohibited substances. The government has provided HRV with an additional \$3.1 million over two years to strengthen its testing regime which will result in a doubling of the number of post-race swabs in 2017-18. HRV will conduct 6 monthly reviews of swab results to identify the areas of greatest integrity risk and use this information to adjust its swabbing program accordingly.

The reviews will be submitted to the HRV Integrity Council as part of informing a risk based approach to regulation.

## Compliance related assistance and advice

Increase awareness and understanding amongst participants of their obligations as harness racing participants

HRV will consult with the harness racing industry and key stakeholders to develop an Animal Welfare Framework. The Framework will set out HRV's expectations of participants around the welfare of horses. The Framework will include, but not be limited to, rules and standards about training, transportation, stabling, veterinary inspections and harness equipment.

(including animal welfare requirements)

Increase awareness and understanding amongst participants of harness racing penalty framework

The Framework will be used as a basis for an on-line training module to increase participant awareness of rules and industry standards. The online training module will be rolled out by 31 December 2018.

HRV will utilise publications such as Harness Racer to increase participants understanding of the existing penalty framework and advise them of updates. The 'Integrity Matters' section of Harness Racer will share insights from participants to promote good conduct and behaviour.

## Incentive-based regulation

Collect data to evaluate regulatory outcomes and inform incentive-based regulatory approaches

There are 48 harness racing clubs in Victoria that conduct trials and race meetings regulated by HRV. HRV will monitor and support the governance and financial performance of clubs through a funding model that incentivises good governance and utilises a needs-based funding model. Where required, strategies for improvement will be developed linked to HRV funding. HRV will establish an industry induction program for new club committee members to support the industry's country clubs with the succession and welcoming of new committee members. The induction program will commence in March 2018 and will help increase governance standards across the industry.

## Cooperation amongst regulators

Develop strategies to enhance cross-code collaboration and improve regulatory outcomes

The Victorian Racing Industry (VRI) forum, consisting of membership from the three Victorian racing codes, is ensuring a strong racing industry into the future.

HRV will work with Racing Victoria and Greyhound Racing Victoria to identify good regulatory practice, share lessons and explore data sharing opportunities.

## Accountability and transparency

Collect and publish data on integrity and animal welfare outcomes

HRV currently collects and publishes data on integrity and animal welfare outcomes. HRV will review its existing data and reporting and identify opportunities for improvement. HRV will provide this report to the HRV Integrity Council by 30 June 2018. Following finalisation of the review and feedback from the Integrity Council, HRV will implement key recommendations with the aim of increasing transparency and improving operational performance.