



2020-2021 ANNUAL REPORT

**VICTORIAN
RACING
INTEGRITY
BOARD**



Authorised by the

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Victorian Racing Integrity Board

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LETTER OF TRANSMITTAL.

To The Hon Martin Pakula MP, Minister for Racing

I am pleased to provide you with the annual report of the Victorian Racing Integrity Board for the year ending 30 June 2021, for tabling in Parliament.

As required by section 95T of the *Racing Act 1958* (Vic), the report describes the board's activities in the past year, including the performance of its statutory functions and engagement with the Victorian racing industry.

I hope that this report will help to inform the Parliament, controlling bodies, thoroughbred, harness and greyhound racing industry participants, and the wider Victorian community about the board's racing integrity oversight and advisory roles under the Act.

A handwritten signature in black ink, appearing to read 'J Forrest', with a horizontal line extending to the right.

The Hon Justice Jack Forrest
Chair

17 September 2021



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CHAIR'S FOREWORD.

The board's second year of operation has seen a number of developments aimed at bolstering the integrity framework of the three controlling bodies which the Victorian Racing Integrity Board (VRIB) oversees.

Mandatory oversight of racing integrity

VRIB has three key tasks to perform under the *Racing Act 1958* (Vic) (the Racing Act).

The first and, perhaps, its primary function is to ensure that racing integrity officials of each controlling body can undertake their important roles without interference from their respective controlling bodies. So, it is pleasing to note there were no actionable complaints during the year. I think that this is a direct result of the presence of VRIB in the racing industry. This has led to each of the controlling bodies understanding the limits imposed upon them in dealing with integrity matters.

The second is the review of each controlling body's annual integrity plans and budgets. VRIB completed the recommendation process for the 2020 integrity plans in December. Despite the continuing

challenges of COVID-19, each of the controlling bodies submitted their 2021 integrity plans and budgets on time. This enabled VRIB to review each plan individually and then assess the plans jointly, on a cross-code basis. An opportunity was extended to the head of each controlling body's integrity department to brief VRIB about their integrity plans and respond to questions from board members. Each of the 2021 plans was endorsed by VRIB.

The third is the review of the rules of racing relating to integrity. The VRIB deputy chairs have dealt expeditiously and effectively with the review of proposed new and amended rules and have made recommendations about these to the controlling bodies throughout the year.

Discretionary oversight

VRIB is also charged with overseeing the controlling bodies' integrity governance and performance through its power to make recommendations in relation to the integrity plans.

The board is acutely conscious that it should be both constructive and selective in this area. Each of the Victorian racing industry controlling bodies has well established integrity operations in place.

The independent Racing Integrity Commissioner also exercises a supervisory role within his statutory charter. It is important, therefore, that VRIB does not duplicate what recommendations are already in place, except where necessary.

VRIB sees its primary role in this area to be promotion of cross-code or Victorian racing industry collaboration with the development of common best practice. Our objective, as far as is practicable, is to ensure that each controlling body maintains consistent industry practice to enhance their ongoing identification and management of integrity risks. The board's initiatives in this regard are detailed in the second part of this report.

Legislative remit

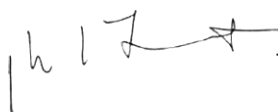
During the year, VRIB also reviewed its statutory charter to ensure it can discharge its functions to oversight racing integrity as intended by Parliament. The board is working with the government to ensure that VRIB's legislative framework is effective to achieve its purpose and gives greater clarity to the industry.

New era for Office of the Racing Integrity Commissioner

VRIB acknowledges the valuable contribution that Sal Perna AM made to the Victorian racing industry as inaugural Racing Integrity Commissioner. Since Sal retired at the start of 2021, VRIB has quickly forged a highly productive relationship with the new Commissioner, Sean Carroll, to ensure our joint oversight of integrity within the Victorian racing industry is comprehensive and aligned.

Farewell to board member

VRIB also bid goodbye to inaugural board member, Hayden Opie AM, following his resignation in April of this year. Hayden's knowledge and experience have added considerable benefit to VRIB's deliberations, particularly in relation to his early leadership of our integrity education steering committee. He will be sorely missed.



The Hon Justice Jack Forrest

Chair



Photo credit: Harness Racing Victoria

EXECUTIVE OFFICER'S FOREWORD.

In another busy year for VRIB, we continued to prioritise our assessment of the controlling bodies' integrity governance and performance from a cross-code perspective, to drive improvements that benefit the whole Victorian racing industry.

It is critical that VRIB has the correct processes to ensure its oversight of racing integrity is transparent, proactive and strategic. This facilitates improved accountability, consistency and a targeted approach. It also allows the controlling bodies to focus on the operational task of regulating their individual codes and participants.

In late 2020, VRIB created a template for the annual integrity plans, to provide clarity to the controlling bodies about required information and allow for consistent analysis in the board's discharge of this key function. VRIB also used its regulatory decision-making framework to ensure its integrity plan recommendations were focused on strategic outcomes.

We continued to work closely with the Racing Integrity Commissioner and his staff throughout the year, to ensure alignment, and improve awareness of our distinct regulatory roles and functions amongst the controlling bodies and wider racing industry. To further the liaison between both agencies, VRIB co-located its office with the Commissioner's in June 2021.

VRIB's corporate compliance program was enhanced by the development of its inaugural Protective Data Security Plan which was submitted to the Office of the Victorian Information Commissioner in 2020.

The board also drew on insights gained from its first full year of operation to update its charter in 2021 and strengthen our internal governance arrangements.

During the year, VRIB developed a complaint handling policy to provide guidance about who can make complaints to the board under the Racing Act, the type of complaints it can receive, how it will manage complaints that fall outside its jurisdiction, and how it will respond to complaints that are within its statutory remit.

I am fortunate to work with a fantastic team and acknowledge the continued support and counsel of all VRIB members throughout the last 12 months.



Elissa Watson
Executive Officer

YEAR AT A GLANCE.

2020

July

- Revised controlling body liaison program is confirmed due to COVID-19 restrictions.
- Commenced consultation on the inaugural annual integrity plan recommendations with controlling bodies.

August

- Established integrity education steering committee to oversee the development of a specialist qualification for integrity officials.
- Submitted Protective Data Security Plan and annual attestation to Office of the Victorian Information Commissioner.

September

- Consultation about VRIB's integrity oversight held with Harness Racing Victoria and Racing Victoria boards.
- Led negotiations for service level agreements between each controlling body and Racing Analytical Services Limited (RASL) to formalise the longstanding arrangements between them.

January

- Developed policy and framework for VRIB's complaint statutory function.
- Concluded negotiations between Harness Racing Victoria and RASL for a common industry service level agreement.

February

- Finalised negotiations between Greyhound Racing Victoria and RASL for a common industry service level agreement.

March

- Welcomed new Racing Integrity Commissioner who met with VRIB members to discuss an integrated approach to the joint and independent oversight of racing integrity.
- The Commissioner accepted a standing invitation to attend board meetings.
- Reviewed disciplinary action proposed against a senior integrity official and provided directions to Racing Victoria.

October

- Established intelligence and investigation sub-committee to support the strategic management of integrity risk, intelligence gathering and information-sharing between the controlling bodies.

November

- Consultations held with Office of the Victorian Skills Commissioner (OVSC) and Australian Skills Quality Authority about accreditation and funding pathways for a specialist qualification for integrity officials.

December

- Finalised annual integrity plan recommendations to the controlling bodies for 2020.
- Developed template for 2021 annual integrity plans.

2021

April

- Commenced annual review of authorising legislation and proposed amendments to the Racing Act.
- Consultation held with Office of Racing Integrity Commissioner (ORIC) about the annual audit of controlling bodies' integrity processes and systems and inclusion of the 2020 integrity plan recommendations.

May

- Finalised a common industry service level agreement between the Racing Victoria and RASL.
- Reviewed and updated VRIB Charter.

June

- Endorsed controlling bodies' 2021-22 annual integrity plans.
- Reviewed and made recommendations about controlling bodies' 2021-22 integrity budgets and resourcing.
- Submitted business case for funding of specialist qualification for integrity officials to the OVSC.



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**WHO
WE ARE**

BOARD MEMBERS.

Established in 2019 under Part IVB of the Racing Act, VRIB is an independent statutory authority providing oversight of integrity in the Victorian racing industry.

The Hon Justice Jack Forrest, Chair

Appointed 1 August 2019

Term 4 years, until 31 July 2023

Jack is the former Chairperson of the Racing Victoria Integrity Council and a Director of Racing Analytical Services Limited. He has a life-long interest in thoroughbreds and racing as a former licenced owner trainer, breeder and rider. Jack was a Judge of the Supreme Court from 2007, and the principal judge of the common-law division from 2015, until he retired in March 2018.

The Hon Peter Young AM QC, Deputy Chair

Appointed 1 August 2019

Term 3 years, until 31 July 2022

Peter was previously Chairman of the Melbourne Racing Club from 2005-2010 and a Member of the Racing Victoria Integrity Council. He served as a Family Court Judge from 2002 until 2013 and was a member of the Epworth Hospital Ethics and Medical Research Committee. Peter was appointed as the Deputy Chancellor of Monash University in January 2019 and has been a Member of Monash University Council since 2014.

Her Hon Magistrate Jacqueline Billings,

Deputy Chair

Appointed 1 August 2019

Term 3 years, until 31 July 2022

Jacqui is a former Chair of the Moe Racing Club, a former board member of Greyhound Racing Victoria and a former member of the Greyhound Racing Victoria Integrity Council. She was appointed as a Magistrate and assigned to the Victorian Children's Court in September 2018.

Ms Elizabeth Clarke AM, Deputy Chair

Appointed 6 November 2019

Term 2 years and 9 months until 31 July 2022

Elizabeth has had a long involvement with racing in Victoria. She served on the board of Harness Racing Victoria from 2012 to 2019 and as Deputy Chair from 2016 to 2019. She was also a member of the Harness Racing Victoria Integrity Council and Show Cause Committee Member between 2012 and 2019. Elizabeth was Club Manager at the Terang Harness Racing Club and the Terang and District Racing Club. She was an Adviser to the Racing Appeals Tribunal from 2000 to 2011 and a member of Harness Racing Victoria Racing Appeals and Disciplinary Board. She was Chair of the Harness Racing Victoria Industry Advisory Council from 2016 until 2019. In June 2021, Elizabeth was appointed a Member of the Order of Australia for service to harness racing and the community.

Mr Bryan Gurry, Member

Appointed 1 August 2019

Term 2 years, until 31 July 2021

Bryan was a member of the board of directors of Racing Victoria from 2008 until 2017 and represented the Racing Victoria Board on the Racing Victoria Integrity Council. Bryan has enjoyed a successful career in the law that includes establishing his own legal practice and being appointed as Partner of several national law firms.

Mr Hayden Opie AM, Member**Appointed** 1 August 2019**Resigned** 7 April 2021

Hayden is a Senior Fellow in the Melbourne Law School and member of the Court of Arbitration for Sport. He established the Melbourne Sports Law Program and was the founding President of the Australian and New Zealand Sports Law Association. Hayden has conducted investigations and hearings into a variety of disputes for Australian sport governing bodies and served as a member of the Anti-Doping Rule Violation Panel established under the *Australian Sports Anti-Doping Authority Act 2006* (Cth). He was previously an independent member of the Racing Victoria Integrity Council.

Dr Catherine (Kate) Savage, Member**Appointed** 1 August 2019**Term** 2 years, until 31 July 2021

Kate is an equine veterinarian and internal medicine specialist. She has worked in Australia, the USA and at the Beijing Olympics. Kate is the past President of the World Equine Veterinary Association and was a Member of the Harness Racing Victoria Racing Appeals and Disciplinary Board.

Ms Amelia Lynch, Member**Appointed** 1 August 2019**Term** 2 years, until 31 July 2021

Amelia is a Partner at Lander & Rogers and head of the Sport and Leisure team. She has developed a specialist practice in sports law, advising a broad range of clients in the sport, leisure and major events industry including national and state sporting organisations, professional sports clubs, racing clubs, major event organisers, venue/facility managers and government sport/recreation departments. Mrs Lynch is a Director of the Victorian Institute of Sport and former Director of the Australia and New Zealand Sports Law Association.

Mr John Barrett, Member**Appointed** 1 August 2019**Term** 2 years, until 31 July 2021

John is a former Independent Member of the Greyhound Racing Victoria Integrity Council, Chief Executive of the Racing Industry Development Authority (SA), and General Manager of the Bookmakers Licensing Board (SA). He is a management consultant and market leader with specialist business advisory firm, RIVOR Ltd. With a career spanning government and non-government sectors, John has extensive experience in governance, business performance and innovation. He has previously held several executive director, non-executive director, company secretary and statutory regulator roles.

Meeting attendance

Table 1: 2020-21 attendance by individual VRIB members at meetings they were entitled to attend

Board member	Eligible to attend	Meetings attended
The Hon Justice Jack Forrest	7	6
The Hon Peter Young AM QC	7	7
Her Hon Magistrate Jacqueline Billings	7	7
Ms Elizabeth Clarke AM	7	7
Mr Bryan Gurry	7	7
Mr Hayden Opie AM	4	4
Dr Catherine (Kate) Savage	7	7
Ms Amelia Lynch	7	7
Mr John Barrett	7	7

VISION, PURPOSE & VALUES.

Our vision

A fair and clean racing industry that champions high standards of integrity and proactively seeks to ensure a level playing field for all participants.

Our purpose

To enhance the integrity of the Victorian racing industry through independent and transparent oversight of the controlling bodies' integrity functions, ensuring high standards, accountability and effective tri-code collaboration.

Our values



Integrity

VRIB is open and transparent, avoids conflicts of interest, uses its powers responsibly and strives to maintain public trust.



Accountable

VRIB works transparently to clear objectives, seeks to use its resources efficiently and effectively, accepts responsibility for its decisions and submits itself to appropriate scrutiny.



Collaborative

VRIB works with the Victorian racing industry and internally to enhance knowledge and understanding, share insights and learnings, and advance its vision and purpose.



Impartial

VRIB makes decisions on merit and without bias by objectively considering all relevant facts.



Responsive

VRIB provides independent and impartial advice to the controlling bodies and government, identifies and endorses best practice, and promotes forward thinking.

WHAT WE DO.

VRIB provides independent oversight of Victorian racing integrity by–

- ensuring that integrity functions are not compromised by the commercial considerations of the controlling bodies
- increasing the transparency and accountability of integrity functions
- enhancing cross-code collaboration about integrity matters.

Primary responsibility for the control of racing, including the performance of integrity functions and compliance with the rules of racing, lies with Greyhound Racing Victoria, Harness Racing Victoria and Racing Victoria (the Controlling Bodies).

VRIB only has power to oversight animal welfare issues that relate to racing integrity. VRIB's functions are set out in the Racing Act and are advisory in nature. The board has oversight of the Controlling Bodies' performance in the following key areas–

- integrity plans, budgets and resourcing
- integrity policy and licensing policy and procedure
- integrity-related rules of racing
- complaints about integrity issues within a Controlling Body
- disciplinary action proposed against a senior integrity official
- shared services agreements between the Controlling Bodies.

VRIB's oversight of racing integrity is jointly shared with the Racing Integrity Commissioner. In contrast to the board, the Commissioner's focus is more operational, and includes the following core functions–

- the conduct of annual audits of integrity processes and systems
- the investigation of complaints about integrity processes and systems and the conduct of Controlling Bodies.



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**YEAR IN
REVIEW**

OVERVIEW OF FUNCTIONS & POWERS.

Table 2: Overview of VRIB's performance of statutory functions under Part IVB of the Racing Act

Section	Function
95H(1)(a) and (i)	Oversee and maintain relationships between and with the Controlling Bodies, their integrity staff and boards
95H(1)(b), 95R(2)(b) and (d)	Endorse and make recommendations about each Controlling Body's annual integrity plan
95H(1)(c)	Review and provide recommendations about integrity resourcing and the integrity budgets of each Controlling Body
95H(1)(d)	Advise and make recommendations to the Controlling Bodies about integrity policy and policies and procedures for participant licensing
95H(1)(e)	Review proposals for new or amended, integrity related rules of racing and make recommendations
95H(1)(f), (b) and 95N	Receive, review, and investigate or refer to ORIC, complaints made by a member or a director of a board of a Controlling Body, an integrity manager or the Chief Steward or Deputy Chief Steward about integrity issues within a Controlling Body
95H(1)(h)	Liaise with ORIC and external agencies about integrity matters
95H(1)(j)	Provide direction about disciplinary action proposed by a Controlling Body against a senior integrity department staff about internal integrity matters
95H(1)(k)	Oversee the development of memorandum of understanding or shared service agreements between the Controlling Bodies

Table 3: Overview of VRIB's performance of its statutory powers under Part IVB of the Racing Act

Section	Function
95H(1)(l)	Issue directions to a Controlling Body regarding integrity matters
95O	Direct a Controlling Body to provide information relevant to a complaint
95P	Give directions to a Controlling Body about a failure to comply with a recommendation
95R(2)(a)	Require a Controlling Body to provide further information about an annual integrity plan
95R(2)(c)	Require a Controlling Body to make changes to the annual integrity plan
95S	Advise the Minister of any failure by a controlling body to prepare and submit an annual integrity plan; consider, respond to or implement a recommendation; or comply with a direction

2020-21 Performance*

Undertook regular liaison with the integrity heads, chief executives and boards of the Controlling Bodies through formal and informal mechanisms

Endorsed the 2021 annual integrity plans of all three Controlling Bodies and made 22 cross-code recommendations in relation to the 2020 annual integrity plans

Reviewed the 2021 integrity budgets of each Controlling Body and made 5 individual recommendations

Reviewed and made recommendations in support of 4 integrity and licensing policies

Reviewed 77 proposals for new [19] and amended [58] rules of racing relating to integrity, suggested some enhancements and, ultimately, made recommendations in support of all

Received 0 complaints during 2020-21

Engaged in regular, informal and formal liaison with ORIC and other agencies

Provided direction in relation to 1 matter involving disciplinary action proposed by a Controlling Body

Oversaw the negotiation and signing of a common service level agreement between RASL and each Controlling Body and mapped out qualification and funding pathway for cross-code education of integrity staff

**Details reported below*

2020-21 Performance

Power was not exercised during the reporting period

Power was not exercised during the reporting period

Power was not exercised during the reporting period

Power was not exercised during the reporting period

Power was not exercised during the reporting period

Power was not exercised during the reporting period

ANNUAL INTEGRITY PLANS & BUDGETS.

The annual integrity plans and budgets identify each Controlling Body's strategic priorities, the operational activities they will undertake in the year ahead, and the resources required to do this.

VRIB's oversight function in relation to the integrity plans and budgets is to review, provide independent feedback, and ultimately endorse them.

The Controlling Bodies provide their annual integrity plans and budgets to VRIB at the end of May each year, after their internal business planning and budget processes have concluded.

The interdependent nature of the board's functions in relation to both means that VRIB assesses the plans and budgets concurrently. This occurs in June each year.

VRIB subsequently considers what, if any, recommendations it should make to the Controlling Bodies to facilitate continuous improvement in integrity outcomes through the annual integrity plan process. The board consults with the Controlling Bodies if it considers recommendations are necessary and, after considering any feedback provided, makes final recommendations about the integrity plans in December of each year.

Integrity plan oversight framework

The board has a decision-making framework in place to guide its analysis of each plan and ensure that it is consistent, objective and focused on strategic outcomes, rather than operational detail.

VRIB assesses the effectiveness of the annual integrity plans by reference to a Controlling Body's strategies to address each of the following key governance and performance areas–

- integrity oversight
- identification and management of integrity risk
- board monitoring of integrity functions
- transparency and accountability mechanisms for integrity functions
- integrity function performance
- integrity education.

Recommendations relating to the 2020 integrity plans

VRIB endorsed the Controlling Bodies' 2020 annual integrity plans in June last year. It then sought to identify opportunities to promote cross-code collaboration and best practice in integrity governance and performance through the ensuing recommendation process.

VRIB made 22 recommendations in relation to the 2020 annual integrity plans which are summarised in Table 4.

Endorsement of 2021 integrity plans

The Racing Act requires VRIB to be satisfied that its endorsement of each Controlling Body's annual integrity plan is in the best interests of the racing industry.

When it undertook this task for the first time in 2020, the board decided not to be prescriptive about the form and content of the Controlling Bodies' integrity plans. This minimised the risk of assumptions being made about what racing integrity 'should' look like.

VRIB gained valuable insight from this initial approach to inform the development of an integrity plan template for the Controlling Bodies to use in 2021. The template facilitated consistency in the provision of information provided by the Controlling Bodies and ready cross-code comparison and analysis of that information.

In 2021, VRIB provided an opportunity for each Controlling Body's integrity head to present their annual plan to the board and respond to members' queries.

After reviewing each plan in turn, VRIB determined that the Controlling Bodies' 2021 annual integrity plans were in the best interests of the industry and should be endorsed. The board's consideration of whether it needs to make any recommendations about the 2021 integrity plans is under way and it will seek feedback from the Controlling Bodies in the coming months.

The Controlling Bodies are again to be congratulated for the quality of their annual integrity plans which demonstrate their ongoing commitment to continual improvement in racing integrity.

Review of 2021 integrity budgets

The Controlling Bodies' integrity budgets set out their planned staffing and operational resourcing of their integrity functions in the year ahead. Therefore, VRIB reviewed the 2021 budgets at the same time as it assessed the annual integrity plans.

VRIB considers that its oversight role is to ensure that the Controlling Bodies' investment in integrity is adequate, and that their commercial considerations do not unduly influence the delivery of integrity services. As such, VRIB sits outside the internal budget approval process of each Controlling Body.

VRIB's review of the Controlling Bodies' 2021 budgets included consideration of the resourcing information provided for each integrity function, by reference to headcount and operating and capital expenditure.

VRIB determined that each budget allowed for the effective delivery of integrity functions to the three racing codes.

To provide the opportunity for cross-code benchmarking of integrity resources across the Victorian racing industry, VRIB considered that each Controlling Body should share a summary of its integrity budget with the other codes.

The board made a recommendation to this effect to each Controlling Body, together with the following specific recommendations about the 2021 integrity budgets, pursuant to its power under section 95H(1)(c) of the Racing Act:

- Harness Racing Victoria proceed with planned recruitment as soon as practicable and inform VRIB of its progress by 31 July 2021
- Racing Victoria proceed with planned recruitment as soon as practicable and inform VRIB of its progress by 31 July 2021.

To provide the opportunity for cross-code benchmarking of integrity resources across the Victorian racing industry, VRIB considered that each Controlling Body should share a summary of its integrity budget with the other codes

Table 4: Summary of VRIB's integrity plan recommendations for 2020

Area of controlling body responsibility

Integrity Governance

1. The Controlling Body's oversight framework

- 1.1 Between the integrity department and the Controlling Body's board
- 1.2 Between the Controlling Body and the code's racing clubs

2. The Controlling Body's risk management framework

- 2.1 The Controlling Body's risk methodology is informed by intelligence gathering for strategic and operational decision-making
- 2.2 The Controlling Body's risk framework includes the identification and management of corruption risk

3. Performance monitoring

- 3.1 Embedded performance metrics for all key integrity functions
- 3.2 Periodic review to assess effectiveness of key integrity functions in detecting non-compliance and improving industry outcomes
- 3.3 Board monitoring of integrity risk and integrity department operations

4. Transparency and accountability

- 4.1 Integrity policies
- 4.2 Oversight framework
- 4.3 Integrity function performance

Integrity Performance

5. Integrity functions

- 5.1 Licensing/registration, including suitability framework
- 5.2 Management of integrity complaints
- 5.3 Prohibited substance control
- 5.4 Veterinarian services
- 5.5 Race day operations and stewarding
- 5.6 Investigations and prosecutions
- 5.7 Form and wagering monitoring and analysis
- 5.8 Intelligence and compliance monitoring
- 5.9 Use of technology
- 5.10 Inspections
- 5.11 Research and Development

6. Education

- 6.1 Integrity staff
- 6.2 Controlling Body and racing club board members and staff
- 6.3 Industry participants

2020 VRIB Cross-code recommendations

Made to the Controlling Bodies

No action recommended in 2020

No action recommended in 2020

1. Regularly monitor integrity risk strategy
2. Meet annually to discuss integrity risk identification, assessment and mitigation strategies
3. Develop a framework to identify, assess and mitigate the risk of criminal infiltration and corruption

No action recommended in 2020

No action recommended in 2020

4. Provide integrity reporting
5. Provide integrity risk assessment and proposed controls

6. Ensure integrity policies are documented and published on the Controlling Body's website

No action recommended in 2020

No action recommended in 2020

7. Ensure suitability assessments for participant licensing/registration are undertaken by staff with appropriate expertise
8. Consider implementing a licensing/registration scheme for professionals providing treatment to animals

No action recommended in 2020

9. Participate in cross-code liaison with RASL
10. Report on testing
11. Enter into service level agreements with RASL

No action recommended in 2020

No action recommended in 2020

No action recommended in 2020

No action recommended in 2020

12. Participate in cross-code liaison
13. Use technology to increase efficiency and capacity
14. Report on use of technology
15. Develop inspection strategy
16. Report on inspections

No action recommended in 2020

17. Support development of cross-code specialist education for integrity staff
 18. Participate in cross-code collaboration to identify and develop best practice
 19. Report on cross-code collaboration
 20. Develop integrity protocols with racing clubs
 21. Centralise participant licensing, compliance and integrity information and education on website
 22. Develop participant integrity communications strategy
-

REVIEW OF PROPOSED NEW OR AMENDED RULES OF RACING.

The review of proposals for new or amended rules of racing relating to integrity is a core VRIB function.

To increase expediency and efficiency, VRIB's deputy chairs perform this task under delegation from the board. Each deputy has extensive knowledge of the relevant racing code, including a practical understanding of the application of the rules and interplay between the local and national rule-making bodies for greyhound, harness and thoroughbred racing.

The Controlling Bodies' internal processes facilitate a detailed examination of the potential impact of new and proposed racing rules, including consultation with each code's industry stakeholders.

At the conclusion of this process, the proposal for a new or amended rule is referred to VRIB for its review. The relevant deputy chair also considers whether the proposal raises cross-code or other issues that warrant review by the full board.

During 2020-21, VRIB reviewed 77 proposals from the Controlling Bodies to amend or introduce new rules of racing for their code. Of these:

- 48 related to harness racing and 29 to thoroughbred racing
- 19 related to new rules and 58 to proposed amendments to existing rules.

After reviewing each proposed rule, VRIB ultimately made recommendations in support of their introduction or amendment. In some instances, VRIB also made recommendations to the relevant Controlling Body to consider refining the proposed rule, for example by suggesting a change to the draft wording, to avoid any unintended consequences, or to ensure consistency with other rules.

The rigorous internal scrutiny applied by the Controlling Bodies to proposed rules means that it is rare that VRIB will recommend a course other than introduction of the new or amended rule.

VRIB has been advised by Greyhound Racing Victoria of the Greyhounds Australasia national rule review project. Provided the national rule changes are endorsed by Greyhounds Australasia, Greyhound Racing Victoria will forward the following to VRIB for review under section 95H(1)(e) of the Racing Act:

- proposed national rules for implementation in Victoria
- proposed redrafted version of the local rules, including consequential changes required because of national rule changes.

Example

A Controlling Body sought VRIB review of a proposed amended national rule for prohibition on participant betting on races in Australia. In evaluating the submission and industry feedback provided to the code, VRIB considered the need for greater consistency in terminology within the rules, to better protect racing by detailing the betting restrictions that were intended to apply to different participant cohorts.

VRIB recommended the adoption of the proposed amendment to the national rule. It also recommended that the Controlling Body advocate to its national body that the draft wording of the amendment be changed, to make clear that the only available penalty for a breach is suspension (and not a fine), as intended by the proposed amendment.

ADVICE ABOUT INTEGRITY & LICENSING POLICIES.

VRIB's function under section 95H(1)(d) of the Racing Act is to advise and make recommendations to the Controlling Bodies about integrity policy, and licensing policies and procedures.

The performance of this function is ordinarily delegated to the deputy chairs unless the specific policy or procedure raises matters of cross-code application. In providing advice about these matters to the Controlling Bodies, the deputies draw on their significant knowledge of the applicable greyhound, harness or thoroughbred racing code.

For the reporting period, VRIB was asked to consider 4 integrity-related policies, of which:

- 3 related to harness racing, and 1 to thoroughbred racing
- 2 related to proposed new integrity policies, and 2 were about wholesale updates to existing policies.

VRIB made recommendations in support of each new or updated integrity policy in recognition of its value in supporting the maintenance and enforcement of high standards of integrity and the relevant Controlling Body's consideration of key issues, including the feedback received from industry participants and other stakeholders.

The integrity policies considered by VRIB in 2020-21 related to the following subject matters for individual codes:

- the introduction of a permit system for veterinarians providing care to racing animals, to ensure appropriate oversight and compliance monitoring of treatment, including the administration of permitted substances
- a change in screening thresholds for a prohibited substance, to provide for national consistency
- the introduction of a prohibition on suspended trainers transferring animals in training to close associates, to ensure that the suspended participant does not remain involved in or have influence over the training
- the introduction of a requirement that all licensed participants report suspected or actual serious misconduct to the Controlling Body.

The board also considered the integrity implications of whip usage in the thoroughbred racing industry during the reporting year. Consistent with VRIB's vision of a fair and clean industry that champions high standards of integrity, VRIB recommended that RV consider how it might improve participant compliance with the whip rule, including whether the rules of racing should be amended to automatically disqualify a horse whose rider breaches the rule.

COMPLAINTS ABOUT INTEGRITY ISSUES WITHIN A CONTROLLING BODY.

VRIB has a very limited complaint function under section 95H(1)(f) of the Racing Act. It is protective in nature and intended to ensure the integrity department of each Controlling Body is free from undue internal influence.

The board received no complaints during the reporting year. VRIB considers that this reflects the deterrent impact of its statutory independence and its ability to proactively respond to any attempt by a Controlling Body to undermine its integrity department.

Who can make a complaint to VRIB?

Only designated persons who hold the following specific roles at a Controlling Body can make a complaint to VRIB:

- a board member or director
- an integrity manager
- a chief or deputy chief steward.

What type of complaints can VRIB receive?

VRIB can only act on complaints about integrity issues within a Controlling Body made by a designated person.

Under the Racing Act, VRIB cannot accept or respond to complaints that are:

- made by any other person (including industry participants)
- made anonymously
- about any other matter that is not an integrity issue within a Controlling Body.

Other complaints

If VRIB receives a complaint that falls outside its statutory power, it will refer the matter to the appropriate entity. Ordinarily, this will be the relevant Controlling Body or ORIC for Victorian matters, or the responsible interstate authority.

Complaint handling policy

In June 2021, VRIB approved its complaint handling policy which sets out how it will deal with complaints received. All designated persons received a copy of the policy which includes information about the board's role, how to make a complaint and how VRIB will respond to it.

[VRIB's] complaint function ... is protective in nature and intended to ensure the integrity department of each Controlling Body is free from undue internal influence



CONSIDERATION OF DISCIPLINARY ACTION PROPOSED BY A CONTROLLING BODY.

Section 95H(1)(j) of the Racing Act vests VRIB with an oversight role to consider and provide direction to a Controlling Body about disciplinary action it proposes to take against a senior member of an integrity department about internal integrity matters.

The function is protective in nature and is intended to ensure that adverse action is not taken against a senior integrity official 'whistleblower' for raising concerns about integrity issues within a Controlling Body.

Controlling Bodies bear sole responsibility for their employment relationships with staff, including the consequences of any disciplinary findings made and action taken. VRIB therefore considers that, ordinarily, it will not be appropriate for it to express an opinion about how a Controlling Body weighs competing considerations in favour of, or mitigating against, the different disciplinary options available to it. However, VRIB may provide guidance to assist the Controlling Body to determine what, if any, disciplinary sanction is open to it.

VRIB dealt with one such matter in the reporting year. The proposed disciplinary action arose from circumstances that were probably not anticipated by the legislature, but which nonetheless enlivened the board's jurisdiction.

On 25 February 2021, Racing Victoria withdrew charges against a trainer and two other industry participants mid-way through a Victorian Racing Tribunal (VRT) hearing into allegations of prohibited raceday treatment of a horse.

At the time, Racing Victoria did not provide reasons for its decision. However, it subsequently conducted an internal investigation into the matter which identified concerns about the conduct of a senior steward. Racing Victoria proposed to take disciplinary action against the steward and referred the matter to VRIB.

The conduct in question arose while the steward was giving evidence before the VRT. After reviewing the findings of the internal investigation, VRIB provided the following direction:

- that Racing Victoria appeared to have undertaken a reasonable process to inform itself of all relevant facts and considerations in relation to the matter, and afforded the steward a fair opportunity to dispute any matters of fact and to provide an explanation for his conduct
- the steward's alleged conduct was very serious and totally incompatible with the standards expected of an integrity official and it was open to Racing Victoria to conclude that the steward engaged in serious misconduct
- if Racing Victoria made such a finding, it could impose the proposed disciplinary action
- for reasons of accountability, transparency and public confidence in the integrity of thoroughbred racing, it was recommended that Racing Victoria make full public disclosure of the conduct, including naming the steward, his actions and the disciplinary action taken.

Racing Integrity Commissioner's own motion inquiry

The Commissioner held an own motion inquiry into the steward's conduct and the circumstances surrounding the withdrawal of the charges. A report and recommendations about this were published in June 2021.

VRIB considered the Commissioner's findings and determined that it was in the best interests of racing integrity for the board to endorse the Commissioner's recommendations.

The board also made the following additional recommendations under section 95H(3) of the Racing Act, that Racing Victoria:

- develop an internal prosecution decision-making framework
- develop an external enforcement policy that is published on its website
- use independent, external workplace investigators to conduct investigations of this nature
- ensure that its integrity department is adequately resourced to undertake core compliance and investigation functions
- reaffirm its commitment to fund the Commissioner's educational recommendations for integrity officials.

Accountability, transparency, and public confidence in the integrity of racing mean that there must be full public disclosure of the stewards' conduct, including ... the disciplinary action taken



RELATIONSHIPS.

Controlling Bodies

VRIB's endeavours to foster direct relationships with the Controlling Bodies and their integrity staff were disrupted for the second year in a row, due to COVID-19 and the reality of ongoing, but necessary, restrictions on meeting in-person.

The additional workload required to maintain the strict health and biosecurity protocols which allowed racing to continue, at a time when so many other industries faced significant disruption, also meant that VRIB had to substitute planned face-to-face interaction with online and written communication with Controlling Body staff and boards.

VRIB provided regular written updates to the Controlling Body chairs, chief executives and integrity department heads throughout the reporting period and sought their feedback and input about the board's activities and plans.

In 2020-21, the VRIB chair, designated deputy and executive officer met with the board of each Controlling Body to discuss VRIB's functions and priorities for the year.

The VRIB deputy chairs continued in their important liaison role with the Controlling Bodies, providing counsel and guidance directly to the integrity department heads and their senior staff when, and as, needed.

Additionally, the board's sub-committees afforded the opportunity for informal, cross-code touchpoints between VRIB and integrity staff throughout the year.

INTEGRITY INITIATIVES.

Racing Integrity Commissioner

The VRIB chair and executive officer continued to meet regularly with the former and current Racing Integrity Commissioners and their staff. The VRIB chair and Commissioner also met with each Controlling Body's chair and chief executive in 2021.

In 2021, to enhance role clarity and alignment in its joint oversight of racing integrity, VRIB extended a standing invitation to the Commissioner to attend all board meetings. This has allowed for frank discussion between VRIB members and the Commissioner about emerging integrity issues. It has also furthered collaboration on how the two bodies can work together to perform their independent functions for the benefit of the Victorian racing industry. Informal cooperation between both agencies has also been facilitated by VRIB co-locating its office with ORIC from June 2021.

A key area of mutual interest is the interplay between VRIB's assessment of the Controlling Bodies' annual integrity plans and the Commissioner's annual audit of the internal integrity processes and systems of the Controlling Bodies.

VRIB and the Commissioner continue to explore ways to align these core functions, to ensure that the outcome of one informs the other and, together, they serve to continually improve racing integrity across the industry.

VRIB and the Commissioner also share a common goal of supporting the Controlling Bodies to develop a cross-code education framework for integrity officials. This will serve to increase integrity capability and support greater mobility and collaboration across the Victorian racing industry.

Integrity education

VRIB established the integrity education steering committee in 2020, following its review of government and industry reports calling for the development of a formal training scheme for Victorian racing integrity officials.

Initially constituted by integrity representatives from each Controlling Body, the Racing Integrity Commissioner, VRIB deputy chair Elizabeth Clarke and member John Barrett, the committee held its inaugural meeting in November 2020 and was ably chaired by VRIB member Hayden Opie.

The committee was initially tasked with identifying a suitable qualification to meet the current and future training needs of integrity officials. Its work to date has focused on reviewing existing racing integrity vocational training approved under the Australian Qualifications Framework, including an assessment of which subjects best meet the varied needs of the distinct integrity functions across the Victorian racing industry.

In 2021, the committee's membership expanded to include learning and development representatives from each Controlling Body, to share their experience with the training and education sector and insights about vocational training for racing participants. Elizabeth Clarke also assumed the role of committee chair following Hayden's resignation from the board.

VRIB has worked closely with the former Office of the Victorian Skills Commissioner (now the Victorian Skills Authority) to identify funding pathways for a specialist racing qualification for integrity officials. This culminated in VRIB obtaining the Skills Commissioner's support to submit a business case on the committee's behalf to the Victorian Department of Education and Training, for government subsidisation of the qualification in 2022.

To progress this important initiative, VRIB recently approved the engagement of a consultant to support the Victorian racing industry's implementation of the specialist qualification for integrity officials.

Looking further ahead, the consultant will also assist the committee to develop an industry-wide integrity education strategy for all Controlling Body and racing club staff, directors, board and committee members, and Victorian racing participants.

Compliance monitoring of the administration of prohibited substances to racing animals

Detection of prohibited substances is a key component of each Controlling Body's integrity strategy and relies on independent drug testing and analysis provided by RASL.

In 2020-21, as part of its statutory remit to oversee the development of shared service agreements between the Controlling Bodies, VRIB sponsored discussions between the Controlling Bodies and RASL for a common racing industry service level agreement, to document their longstanding arrangements for testing and analysis, and define mutual obligations to benefit the racing industry.

VRIB member Bryan Gurry led this work on the board's behalf, which VRIB is pleased to report has culminated in each Controlling Body signing the common agreement with RASL.

VRIB will now lead an initiative that provides the opportunity for cross-code liaison about the science of testing, and identification of new drugs and sampling. The board has established a sub-committee for this purpose. It will be chaired by VRIB member Dr Kate Savage and include veterinarian and integrity representatives from each Controlling Body and RASL. The committee will meet for the first time in August 2021.

Intelligence and investigations liaison

In 2020 VRIB recommended that the Controlling Bodies participate in a cross-code intelligence and investigations liaison group. VRIB established a sub-committee chaired by Jack Forrest with this aim.

The committee includes representatives from each Controlling Body and ORIC and met on three occasions during the reporting period. Its focus is the strategic management of integrity risk through a whole-of-industry approach to intelligence-gathering, information-sharing, use of technology and liaison with law enforcement agencies.



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GOVERNANCE

GOVERNANCE.

VRIB has a corporate governance and legislative compliance program to ensure it meets its legal and governance obligations, including the development and regular review of VRIB policies and processes for conflict of interest, fraud, confidentiality, document and records management, risk management, financial management and workplace standards.

Jurisdiction

In 2020, one year after its establishment, VRIB reviewed its authorising legislation to assess whether it enabled the board to discharge its oversight of racing integrity as intended by Parliament.

VRIB identified opportunities to strengthen the board's existing functions and powers to provide greater clarity about its jurisdiction, by:

- providing the board with a general power to advise, refer and make recommendations about internal integrity issues within a Controlling Body
- extending our complaints and oversight of disciplinary action functions to apply to all Controlling Body integrity staff
- permitting the board to share information with ORIC, the Controlling Bodies and other relevant entities.

VRIB is committed to working with government to ensure the regulatory framework for racing integrity remains fit for purpose. It has therefore referred these matters to the Office of Racing for its consideration of the need for changes to the Racing Act, which we understand will also be informed by consultation with the Controlling Bodies.

Corporate reporting

Financial reporting

VRIB is funded by the Victorian racing industry on a costs recovery basis through the Department of Jobs, Precincts and Regions (the Department). Detailed reporting about its financial performance, workforce data and other disclosures under the *Financial Management Act 1994* (Vic) are included in the Department's annual report.

Shared services

VRIB receives support from the Department for a range of corporate services, including information technology, human resources and finance.

Public sector conduct

VRIB and its staff abide by the Victorian public sector codes of conduct.

Conflicts of interest

VRIB abides by the Victorian public sector model conflict of interest policy and maintains registers of private interests and gifts, benefits and hospitality. Board members and the executive officer complete an annual declaration of private interests.

Risk management

Risk management processes to meet the requirements of the Victorian Government Risk Management Framework 2016 and Risk Management Standard ISO 31000:2018 are in place, which includes compliance with the Victorian Protective Data Security Framework.

Consultancies

VRIB did not engage any consultants during 2020-21.

Freedom of information

The *Freedom of Information Act 1982* (Vic) (the FOI Act) provides the public with a right to request access to information held by VRIB. No freedom of information (FOI) requests to access information under the FOI Act were received during the reporting period.

An FOI request must be made in writing, clearly describe the information or document sought, and be accompanied by the prescribed application fee made payable to the Department.

Enquiries about access to VRIB documents can be made to—

Freedom of Information Request

Victorian Racing Integrity Board
Level 27, 121 Exhibition Street
Melbourne Victoria 3000
GPO Box 4509 Melbourne Victoria 3001

Email: enquiries@vrib.vic.gov.au

Public interest disclosures

The *Public Interest Disclosure Act 2012* (Vic) encourages and facilitates the disclosure of improper conduct and corruption in the Victorian public sector by providing protection to people who make disclosures in accordance with its provisions. Any disclosure of this type about VRIB or its staff may be made to either—

Independent Broad-based Anti-Corruption Commission

Level 1, 459 Collins Street (North Tower)
Melbourne VIC 3000

Phone: 1300 735 135

Website: www.ibac.vic.gov.au

Victorian Ombudsman

Level 2, 570 Collins Street
Melbourne VIC 3000

Phone: 03 9613 6222

Website: www.ombudsman.vic.gov.au

