



Queensland Racing Integrity Commission

2021-22 Regulator Performance

Report

Introduction

This report has been prepared to meet the Queensland Racing Integrity Commission's ("the Commission") reporting obligations under the Queensland Government's Regulator Performance Framework, which is a key element of the Better Regulation Strategy.

The Commission is an independent statutory body established under the *Racing Integrity Act 2016* which oversees the integrity of racing in Queensland and safeguards the welfare of racing animals.

The purposes of the *Racing Integrity Act 2016* are to:

- maintain public confidence in the racing of animals in Queensland for which betting is lawful; and
- ensure the integrity of all persons involved with racing or betting under this Act or the *Racing Act 2002*; and
- safeguard the welfare of all animals involved in racing under this Act or the *Racing Act 2002*.

Model practice1:

Ensure Regulatory Activity is Proportionate to Risk and Minimises Unnecessary Burden

Supporting principles:

- a proportionate approach is applied to compliance activities, engagement and regulatory enforcement actions
- regulations do not unnecessarily impose on regulated entities
- regulatory approaches are updated and informed by intelligence gathering so that effort is focused towards risk

Evidence to support alignment with regulator model practices

The purpose of the Commission's compliance and enforcement function is to engage, educate and then enforce compliance with the *Racing Integrity Act 2016* and the National and Local Rules of Racing.

In 2021-22, the Commission focussed on implementing the renewed Regulatory Strategy and Framework (the Strategy), which is based on five guiding principles: nurture voluntary compliance; evidence-based decision-making; risk-based approach; transparent governance; and a professional workforce.

Foremost among these principles is a commitment to adopting a voluntary compliance approach, which ensures the Commission prioritises its resources and effort to consult with relevant stakeholders to engage and educate around issues of operating with integrity and safeguarding the welfare of racing animals.

The Commission also has an Appropriate and Proportionate Enforcement Policy which guides the Commission to determine what type of enforcement action is appropriate in any given circumstances when voluntary compliance fails. Any enforcement action taken by the Commission will be based on the level of harm presented by the breach and the culpability level of the participant.

The Commission is currently developing Racing Penalty Guidelines for each code of racing which are designed to act as a general deterrent by ensuring penalties imposed for a rule breach have sufficient personal and general deterrence, to discourage the offender from re-offending and to discourage other licensed participants from breaching the rule. The Penalty Guidelines are being drafted with careful consideration of relevant penalty precedents for the same or similar rule breaches in similar circumstances.

The Commission has Standards in place for racing bookmakers and licensees of each code of racing which explain how the Commission assesses applications from persons seeking to participate in the Queensland racing industry and how the Commission audits the ongoing suitability of licensed animals and participants.

Model practice 2:

Consult and Engage Meaningfully with Stakeholders

Supporting principles:

- formal and informal consultation and engagement mechanisms are in place to allow for the full range of stakeholder input and Government decision making circumstances
- engagement is undertaken in ways that helps regulators develop a genuine understanding of the operating environment of regulated entities
- cooperative and collaborative relationships are established with stakeholders, including other regulators, to promote trust and improve the efficiency and effectiveness of the regulatory framework

Evidence to support alignment with regulator model practices

The Commission's three key elements of its regulatory approach are engagement, education and enforcement. They are deliberately presented and communicated in this order to emphasise the value the Commission places on working with industry and other stakeholders to build a better industry. This has been demonstrated in 2021-22 through the Racing Integrity Commissioner's vision for the Commission: 'One Industry'; an organisation that communicates, shares information and strengthens the racing industry. The Commission is establishing clear channels of communications across the breadth of the industry and working towards the Commission's five objectives; ensuring the highest level of animal care; sound integrity; safety; strong industry growth; and sustainability.

The Commission has established the Stakeholder Reference Group (SRG). which provides an opportunity to discuss contemporary matters through an open forum with subject matter experts from within the Commission and the racing industry. The SRG facilitates consultation and collaboration to assist the Commission and the Queensland Racing Industry to reach shared goals of creating a sustainable racing industry where the highest integrity is maintained, and animal care is imperative to success. The SRG will meet at least three times per year.

The Commission is drafting its Engagement Strategy, a supporting strategy under the Regulatory Strategy and Framework, which outlines priorities, key stakeholder segment and the role of communication channels. The Engagement Strategy captures the overarching narrative, key messaging and communication and engagement content, topics and activities that will be delivered to support a 'One Industry' approach.

In 2021-22, the Commission engaged with stakeholders through the publication of various proactive media releases and media responses, released campaign emails to industry regarding industry related topics and published information in Race, Pace and Chase (which are monthly Thoroughbred, Harness and Greyhound industry magazines).

Model practice 3:

Provide Appropriate Information and Support to Assist Compliance

Supporting principles:

- clear and timely guidance and support is accessible to stakeholders and tailored to meet the needs of the target audience
- advice is consistent and, where appropriate, decisions are communicated in a manner that clearly articulates what is required to achieve compliance
- where appropriate, regulatory approaches are tailored to ensure compliance activities do not proportionately burden particular stakeholders (e.g. small business) or require specialist advice

Evidence to support alignment with regulator model practices

The Commission employs stewards and a communications officer to support the enforcement of equine retirement reporting and communicate with registered owners and trainers regarding their reporting obligations and moral requirements in managing retiring/ed racehorses.

In alignment with the vision of 'One Industry', the Commission delivers educational material which aims to support and promote the integrity of racing by ensuring consistent and fair administration of the rules of racing and promote better practices regarding safeguarding animal welfare. The use of education and awareness nurtures voluntary compliance and allows the Commission to make best use of its enforcement resources by facilitating compliance through education and awareness. This approach also aims to enhance public confidence in the Queensland racing industry

Through a calendar of formal education campaigns, industry notices and the already established networks our staff have with industry participants and bodies representing industry participants, the Commission ensures participants have the information they need to comply with our regulatory framework.

Existing education and awareness materials published on the Commission's website includes content on:

- Licensing Standards for each code of racing
- Rules of Racing for each code of racing (national and local)
- Biosecurity requirements
- Prohibited substances
- Greyhound socialisation and rehoming
- Identifying and treating heat stress.

Model practice 4:

Commit to Continuous Improvement

Supporting principles:

- regular review of the approach to regulatory activities, collaboration with stakeholders and other regulators to ensure it is appropriately risk based, leverages technological innovation and remains the best approach to achieving policy outcomes
- to the extent possible, reform of regulatory activities is prioritised on the basis of impact on stakeholders and the community
- staff have the necessary training and support to effectively, efficiently and consistently perform their duties

Evidence to support alignment with regulator model practices

In 2021-22, the Commission employed a full-time Internal Auditor to provide the Commission, the executives and the Audit and Risk Committee with independent, objective assurance on the Commission's risk management, control and governance processes. The Internal Auditor also conducts reviews of the Commission's regulatory activities in collaboration with stakeholders to ensure compliance with regulatory obligations and implement best practice processes. In 2021-22, the internal audit function completed reviews into Workplace Health and Safety, Regulated Substance Management and Payroll.

The Commission undertook a functional realignment in 2021-22 to improve the delivery of an ethical and safety racing industry. The realignment has been grouped into three phases: Leadership; Capability; and Ways of Working. The Commission has completed all activities under the Leadership phase with a new executive leadership structure established. The Capability phase focusses on implementing formal performance development agreements to support professional development for all staff and the development of service catalogues to clearly define each unit's roles and responsibilities to provide clarity and consistency with service delivery across the Commission.

The final phase, Ways of working, will commence in 2022-23 and aims to identify and implement improved processes across the Commission which generates efficiencies in service delivery whilst upholding our key regulatory functions. The Ways of working phase will also involve conducting a training needs analysis of staff to create an annual training program encompassing organisational development needs and job-specific skills. This training program will form part of the Commission's Workforce Strategy to ensure Commission employees have the skills needed to deliver successful business outcomes.

The Cadet Steward Program continued to rollout with five new cadets joining the program in 2021-22 and three who graduated and are employed by the Commission as stewards. The Program provides competencies in communication, disciplinary decisions, procedural fairness, workplace health and safety and investigations, inquiries and appeals.

Model practice 5:

Be Transparent and Accountable in Actions

Supporting principles:

- where appropriate, regulatory frameworks and timeframes for making regulatory decisions are published to provide certainty to stakeholders
- decisions are provided in a timely manner, clearly articulating expectations and the underlying reasons for decisions
- indicators of regulatory performance are publicly available

Evidence to support alignment with regulator model practices

The Commission provides transparency into its enforcement activities by publishing Stewards' Reports and Internal Review outcomes on the Commission's website.

The Commission also publishes a number of key documents on the website including:

- proactive industry announcements and media releases, providing detail of significant policy decisions and enforcement outcomes for the industry
- Directions from Chief Stewards as to the interpretation of rules
- elevated TCO2 levels detected in equine racing animals
- Greyhound breeding, race injury and retirement reports
- Thoroughbred and Standardbred Race Related Injuries

When decisions are made on licensing matters, clear reasons for the outcome are provided in writing to the relevant party. Licensing decisions are subject to a right of internal review and a right of external review.