

INDUSTRY SUPERVISION STRATEGY 2016



ANIMAL WELFARE TRUSTED
RISK-HIGH INTEGRITY
BASED OUTCOME FOCUSED



WELCOME TO GRNSW'S INDUSTRY SUPERVISION STRATEGY

Introduction

Greyhound Racing NSW (GRNSW) is both the controlling body and regulator for greyhound racing in NSW. This dual responsibility requires GRNSW to lead and direct the strategic and operational activities of greyhound racing, including articulating the strategic direction for the industry, while ensuring robust industry supervision to promote confidence in the conduct of the sport, safeguard animal welfare and demonstrate the rigour of integrity arrangements.

The dual commercial and regulatory functions reveal a natural tension between what may be perceived as competing interests. However, when conducted effectively and subject to appropriate governance arrangements, the combined responsibilities ensure an alignment of strategic interests and can deliver the best commercial and regulatory outcomes.

No supervisory regime can, or arguably should, attempt to completely remove risk from a regulated environment. To do so would result in inefficient, ineffective and oppressive arrangements, most likely causing the abrupt or more gradual end to the activity and the loss of the associated social and economic benefits for the community.

Intelligence led and risk-based regulatory approaches seek to be smarter about understanding the environment, known and emerging issues and indicators of risk to ensure regulatory resources can be efficiently applied to target the more serious non-compliance risks and suspected misconduct. Importantly, robust industry supervision is partnered with clear communication from the regulator on rights and obligations that arise from participating in the industry and its expectations around standards of behaviour.

In short the regulator must incentivise voluntary compliance and target more serious non-compliance and misconduct with escalating enforcement action. To safeguard the integrity of the industry, maintain community confidence and the associated social licence, where conduct falls short of requirements the regulator must take remedial and/or enforcement action to ensure wrongdoing incurs consequences, achieve specific and general deterrence and maintain confidence in the regulatory framework.

An intelligence led and risk-based regulatory approach allows for the majority of responsible participants to make informed decisions around their participation and conduct and enjoy less intervention from GRNSW. Achieving increased levels of voluntary compliance through guidance and education material, incentivising positive compliance behaviours, communicating regulatory priorities and publishing outcomes from compliance and enforcement activities such as disciplinary action is a necessary function for a contemporary regulator.

GRNSW's Industry Supervision Strategy outlines its regulatory purpose, strategic priorities and objectives in relation to industry supervision, as well as the supervisory activities we will prioritise to achieve our desired regulatory outcomes. It demonstrates GRNSW's commitment to enhancing its regulatory strategy to achieve improved animal welfare and integrity outcomes to enable the responsible development of the industry.

This Industry Supervision Strategy also provides an explanation of the regulatory toolkit we will use in our industry supervision and how we will evaluate the success of our strategy.

GRNSW must balance its commercial and regulatory roles, ensuring its strategic objectives are underpinned by best practice animal welfare policies and outcomes, and recognise that a strong focus on its regulatory role is required to preserve its social and regulatory licence and secure a sustainable and vibrant future for the industry.



A handwritten signature in black ink, appearing to read 'Paul Newson'.

Paul Newson
Chief Executive
Greyhound Racing NSW

GREYHOUND
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Our Regulatory Purpose

Our regulatory purpose establishes a high-level framework for our regulatory activities under the *Greyhound Racing Act 2009* (NSW) (the Act) and sets the direction and informs the establishment and maintenance of our regulatory supervisory activities.

In its regulatory capacity, GRNSW has three key industry supervision functions conferred upon it by the Act:

- To control, supervise and regulate greyhound racing in the State
- To register greyhound clubs, greyhound trial tracks, greyhounds, owners and trainers of greyhounds, bookmakers for greyhound racing, and other persons associated with greyhound racing
- To initiate, develop and implement policies conducive to the promotion, strategic development and welfare of the greyhound racing industry

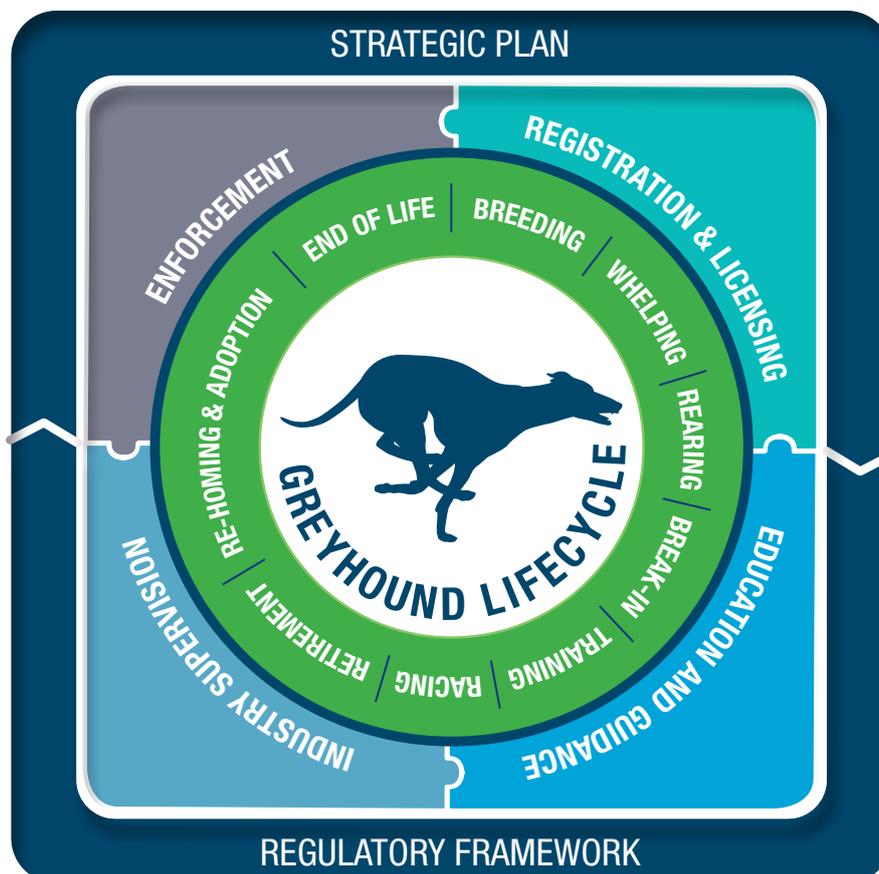
To fulfil our regulatory purpose consistently with our industry supervision functions under the Act, GRNSW will:

- Establish and publish clear regulatory requirements for the greyhound racing industry
- Appropriately assist industry participants to meet obligations, promote voluntary compliance and support continuous improvement
- Monitor and where appropriate enforce compliance with requirements and telegraph outcomes to stakeholders
- Adopt an intelligence-led, risk-based and outcomes focused regulatory approach
- Maintain robust governance arrangements around regulatory decision making to ensure regulatory intervention is objective, fit for purpose and prioritises animal welfare and the integrity of greyhound racing
- Operate efficiently and maximise the impact of our regulatory effort by basing regulatory action on the level of risk posed to greyhound welfare, the integrity of the greyhound racing industry and expectations of the community
- Operate transparently with strong accountability to the NSW Government and stakeholders, including the greyhound racing industry and the community



OUR REGULATORY PURPOSE

Through our supervision of greyhound racing, GRNSW seeks to safeguard animal welfare, uphold the integrity of the sport and enable the responsible development of the industry for the betterment of participants and to grow greyhound racing's economic and social contribution to NSW.



Our Regulatory Approach

In undertaking our industry supervision role we must work within the existing regulatory framework and exercise the methods at our disposal while advocating for reform and more extensive functions and powers where appropriate.

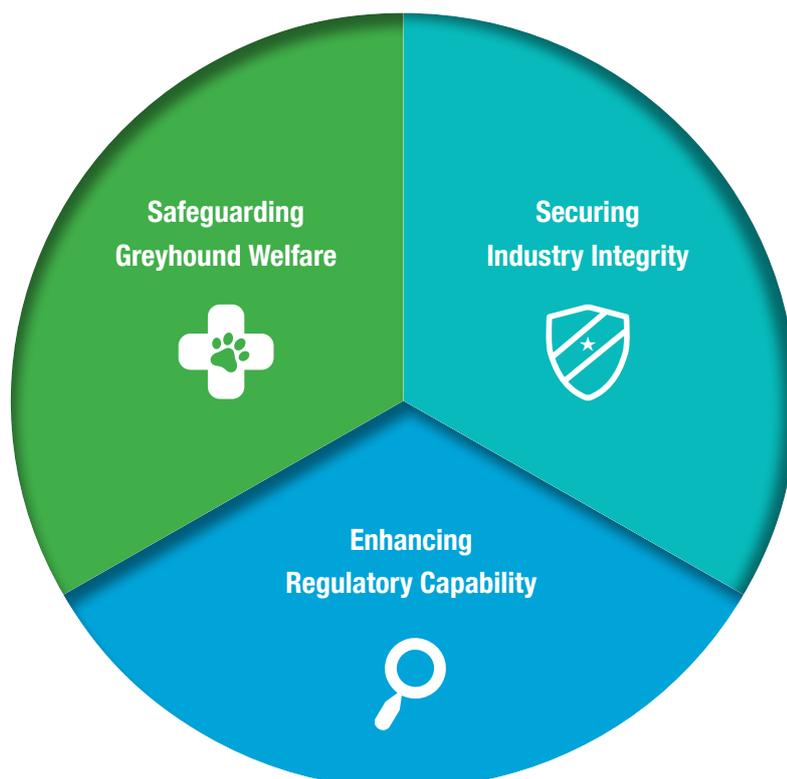
Our regulatory approach relies on intelligence to better understand the greyhound racing industry and participants, including known and emerging issues, and underpins our outcomes and risk-based compliance approach.

To ensure the efficient and effective application of resources, GRNSW will continue to promote voluntary compliance and assist the majority of responsible participants to meet obligations, while targeting escalating regulatory intervention where the risk of harm to animal welfare and integrity is greatest. Our responses will be graduated, proportionate and appropriate to the behaviour we find, however, GRNSW will act decisively to investigate and deal with non-compliance and wrongdoing and maintains a zero tolerance approach to animal cruelty.

The primary methods available to assist us in fulfilling our regulatory role include:

- Stakeholder engagement
- Licensing and registration
- Rules and standards
- Education and guidance
- Monitoring and inspection
- Compliance activities
- Public comment
- Investigations, inquiries and enforcement
- Joint activity with regulatory and law enforcement agencies

Our Three Industry Supervision Strategic Objectives



Safeguarding Greyhound Welfare



OUR PRIORITIES

We will safeguard greyhound welfare by:

- Engaging all stakeholders in an authentic dialogue
- Maintaining a significant research agenda to inform contemporary best practice and assist development of future policy direction and decision making
- Promoting the highest standards of animal welfare throughout the greyhound lifecycle
- Targeting improved veterinary services capability and delivery
- Educating and guiding participants
- Ensuring ethical and sustainable breeding practices
- Targeting improved greyhound competition safety
- Enhancing injury monitoring and reporting
- Targeting the prevention of unauthorised greyhound exports
- Improving greyhound career longevity
- Expanding post-racing options for greyhounds through increased re-homing



SUCCESS IS

- Benefiting from robust and honest engagement with stakeholders
- Industry reform, development and policy direction is evidence based and prioritises animal welfare outcomes
- Over breeding and wastage are eliminated or at least substantially diminished
- Mistreatment of animals is prevented and instances of animal cruelty are identified and targeted for enforcement action
- Registered participants are appropriately qualified and experienced in the care of greyhounds
- Safer competition conditions for greyhounds and reduced injury rates
- Increased racing opportunities for greyhounds
- More greyhounds are re-homed after retirement from racing
- Unauthorised exports of greyhounds are prevented or detected and targeted for enforcement action

Securing Greyhound Racing Industry Integrity



OUR PRIORITIES

We will secure greyhound racing industry integrity by:

- Establishing and clearly communicating regulatory expectations around industry participation and conduct
- Ensuring industry stakeholders and the community have a mechanism to report welfare and integrity concerns about greyhound racing
- Establishing comprehensive licensing and accreditation requirements to enter and maintain industry participation
- Implementing an intelligence led, outcomes focused and risk-based regulatory approach
- Targeting allegations of wrongdoing including serious animal cruelty, repeat and ongoing non-compliance for escalating enforcement action
- Establishing and maintaining contemporary best practice forensic testing capability and operational practices
- Targeting the prevention of interference or manipulation of greyhound racing competition and outcomes
- Targeting the prevention of interference or manipulation of wagering



SUCCESS IS

- Greyhound Racing Rules are comprehensive, coherent and fit for purpose
- Information, complaints and allegations of wrongdoing are appropriately assessed, analysed, prioritised and dealt with
- Increased promotion and awareness of the Greyhound Welfare and Integrity Hotline
- Implement an annual compliance return for industry participants
- Publish an annual calendar of risk-based compliance priorities and activities
- Attempts to improperly or unlawfully degrade or enhance greyhound performance are prevented or detected
- Individuals found to have engaged in wrongdoing are held to account
- GRNSW effectively contributes to law enforcement and wagering partner efforts to prevent and detect attempts to manipulate wagering activity and outcomes
- GRNSW is recognised as an effective and capable regulator

Enhancing Regulatory Capability



OUR PRIORITIES

We will enhance our regulatory capability by:

- Identifying capability gaps and establishing and further developing key regulatory functions
- Establishing and maintaining robust governance arrangements
- Establishing and maintaining collaborative relationships with stakeholders
- Improving our information sharing and intelligence gathering and analysis
- Improving our performance monitoring and reporting
- Investing in learning and development outcomes and managing performance of our people
- Adopting best practice workplace health and safety practices with zero tolerance for bullying and harassment



SUCCESS IS

- GRNSW further develops its compliance and enforcement capability and is recognised as a modern and effective regulator
- GRNSW's Investigations Review Committee is implemented effectively
- Industry supervision activities are outcomes focused and risk-based
- GRNSW enhances its cooperation with stakeholder organisations and establishes Memorandum of Understanding where appropriate
- GRNSW publishes its annual risk-based calendar of compliance priorities and activities
- Staff performance management plans are aligned with GRNSW's Strategic Plan
- GRNSW implements contemporary performance monitoring and reporting practices and operates with a high degree of transparency
- Our staff are engaged and work in an environment that is safe and healthy

Our Regulatory Principles

RISK-BASED

Like all regulators, GRNSW faces often difficult choices about the activities to which it dedicates its time and resources. GRNSW seeks to focus its efforts on achieving defined regulatory outcomes, such as improving welfare standards for greyhounds or preventing participants manipulating competition by improperly enhancing or degrading greyhound performance, rather than adhering to outputs such as high volume inspection targets.

By developing an intelligence led, risk-based and outcomes focused regulatory approach GRNSW can ensure its industry supervision activities are efficient and identify and target more serious non-compliance and wrongdoing where the risk of harm to animal welfare and integrity is greatest, while minimising disruption to responsible industry participants.

GRNSW will consult with stakeholders to ensure it understands diverse perspectives on the greyhound racing industry and known and emerging industry risks to inform its risk assessment and development of its annual calendar of compliance and enforcement priorities and activities. While GRNSW will publish its annual priority areas to encourage voluntary compliance, GRNSW actively monitors industry activity and also undertakes proactive and responsive intelligence led intervention.

TARGETED

GRNSW recognises the majority of industry participants are responsible and want to meet compliance obligations. GRNSW is committed to achieving increased levels of voluntary compliance and assisting participants to meet requirements and strive for best practice in the greyhound racing environment.

GRNSW is committed to maximising voluntary compliance and encouraging best practice to minimise intervention and disruption to responsible participants and ensure it can target its enforcement activity where the seriousness of suspected non-compliance, wrongdoing and associated harm is greatest.

GRNSW's Intelligence function assesses all information and complaints received against uniform criteria including its strategic priorities; however, GRNSW does not investigate all complaints, but applies a risk-based approach and exercises discretion on how to deal with matters.

This approach ensures GRNSW's compliance, investigative and enforcement resources target more serious, ongoing or repeat non-compliance or wrongdoing.

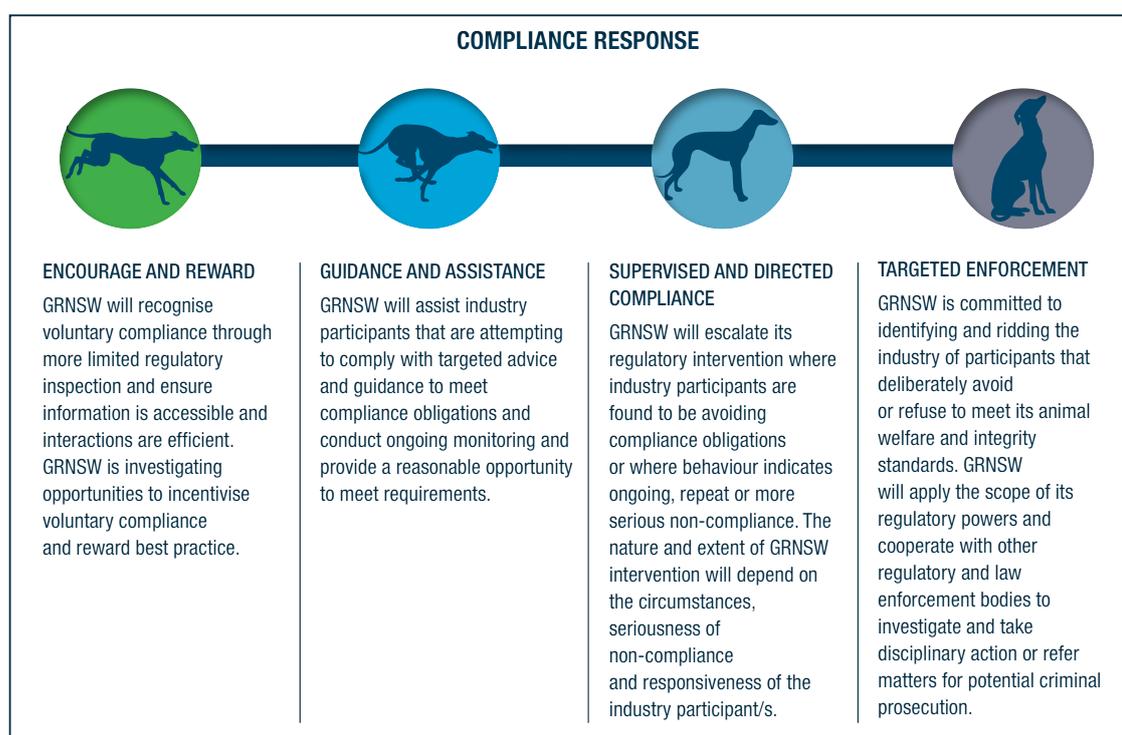
When determining how to deal with a matter, GRNSW may decide to:

- Note information received for intelligence purposes
- Take no further action
- Refer the matter to another regulatory or law enforcement body
- Take remedial action
- Take compliance action
- Make public comment
- Commence an investigation
- Commence a disciplinary inquiry
- Note information received for intelligence purposes
- Refer for potential criminal prosecution
- Consider policy or other regulatory intervention



GRNSW is committed to achieving increased levels of voluntary compliance and assisting participants to meet requirements and strive for best practice in the greyhound racing environment.

Compliance Model



COLLABORATIVE

GRNSW is committed to establishing and maintaining an authentic dialogue with its diverse stakeholders to ensure the industry benefits from robust and rigorous engagement, is accountable for its regulatory and commercial activities and is responsive to matters of public interest.

GRNSW will consult stakeholders and identify opportunities for collaboration and joint activity to support its strategic objectives and enhance animal welfare and integrity outcomes for the betterment of greyhound racing. GRNSW will also draw on the expertise of industry participants that demonstrate a commitment to best practice, innovation and continuous improvement and can make a meaningful contribution to the industry and GRNSW's strategic outcomes.

GRNSW operates in a co-regulatory environment where it shares responsibility for animal welfare and integrity matters with other regulatory and law enforcement bodies such as NSW RSPCA, NSW Department of Primary Industries and NSW Police. Independent animal welfare and advocacy groups also play a key role in promoting and safeguarding animal welfare in animal related industries such as the codes of racing as well as companion animals within the broader community.

GRNSW adopts an inclusive approach to consultation and is committed to working with all stakeholders to meet its strategic objectives and furthering animal welfare and integrity outcomes and ensuring it can achieve a sustainable and vibrant industry and grow its economic and social contribution to NSW.

TRANSPARENT

By providing information about the way GRNSW operates and the decisions it makes, GRNSW promotes a predictable regulatory and business environment and stakeholder confidence.

Being transparent assists stakeholders to understand GRNSW's functions, its regulatory expectations and how it makes decisions. It also:

- provides individuals and businesses with information that assists them to comply and shows consistency in GRNSW's decision making and the actions GRNSW takes
- increases stakeholder confidence in GRNSW as a regulator
- promotes increased voluntary compliance and informed decision making
- provides a framework for reporting on the effectiveness of GRNSW's regulatory actions
- provides organisational direction and clarity as to GRNSW's regulatory functions

GRNSW will act in accordance with its Public Comment policy and take steps to improve awareness of our regulatory priorities, activity and outcomes including where GRNSW decides not to act or is not successful. Acting transparently ensures stakeholders understand GRNSW's regulatory expectations and approach and assists participants to meet obligations and understand consequences for non-compliance and misconduct while ensuring GRNSW is accountable for its decisions.

INTEGRATED

GRNSW adopts an integrated regulatory approach that harnesses the expertise across its functions to better understand the regulated environment, known and emerging issues and ensure a mix of GRNSW resources and effort is applied to anticipate, identify and solve problems and deliver efficient and effective regulatory outcomes.



GRNSW will act in accordance with its Public Comment policy and take steps to improve awareness of our regulatory priorities, activity and outcomes.

