

14 October 2013

**CIRCULAR NO 1321**

**To:** The Secretary all Totalisator Clubs and Kindred Bodies  
**From:** Edward Rennell, Chief Executive  
**Subject:** **BOARD NEWS – 4 OCTOBER 2013**

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Following is a summary of key matters considered at the HRNZ Board meeting on 4 October 2013.

**1. BAN ON ANABOLIC STERIODS**

Dr Andrew Grierson (Veterinary Advisor to the Equine Codes) attended the Board meeting to discuss anabolic steroids and their use within the industry in light of global developments to ban their use. Following on from recent decisions by the Australian Racing Board and New Zealand Thoroughbred Racing (NZTR), the HRNZ Board approved a ban on the use of anabolic steroids for horses both in and out of competition.

The new ban will apply to all horses from the age of six months, with this period of permitted steroid use allowed only in the interests of animal welfare. Under the current Rules, it is an offence to present a horse with anabolic steroids in its system on raceday.

HRNZ is just working through the process of amending its Prohibited Substances Regulations in light of this change. It is expected that the Regulations will be amended by 1 December 2013, with the ban effective 1 May 2014. This is consistent with the approach of the thoroughbred codes in Australia and New Zealand.

In adopting a zero tolerance policy to the use of anabolic steroids in competition, training and spelling, HRNZ will institute heavy penalties for breaches of the ban. The prohibition will apply to any horse that comes within the jurisdiction of the New Zealand regulatory authorities to conduct out of competition testing.

In adopting this change, HRNZ has consulted with NZTR, Dr A Grierson (Veterinary Advisor to the Equine Codes), the NZ Veterinarians Association – Equine Branch, the NZ Harness Racing Trainers & Drivers Association and Harness Racing Australia. The ban ensures New Zealand is consistent with most racing jurisdictions globally and from HRNZ's perspective it is important there be a consistent approach between the equine codes domestically.

Details of the changes to the HRNZ Prohibited Substance Regulations will be outlined in an upcoming issue of the Harness Racing Weekly.

## **2. BETTING RULES FOR DRIVERS**

The Board reviewed a report from the Working Party that had been established to review this issue. The Working Party comprised Steve Phillips, Garry Lund (HRNZ Board Members), Rob Lawson, Peter Ferguson (Trainers & Drivers Association), Nigel McIntyre (RIU) and Edward Rennell (HRNZ). This was in light of the NZRB's request that HRNZ reconsider its position in light of the remit on this being defeated at the recent Annual Conference.

The preliminary position of the Working Group is that changes should be made to the Rules in relation to betting by drivers. The initial recommendation is that consistent with Australian harness racing, drivers would not be able to place bets oncourse while in their driving apparel and also should not be allowed to bet on races in which they are driving. The Executive supported in principle this recommendation and agreed that this should be outlined to the Trainers & Drivers and the views of the National Council sought prior to further consideration of this at the Board's next meeting.

## **3. STRATEGIC PLAN – FINANCIAL ANALYSIS**

At the Board's August meeting, it was agreed that HRNZ's Strategic Plan would be reviewed and updated over the next year. The Board considered and approved the proposed outline, structure and timetable for the review of this plan. The aim is that a draft will be available for industry consultation in mid-2014, with a final version presented to the 2014 Annual Conference.

It was agreed that time at each Board meeting will be set aside to progress the development of this plan. It was noted that there are considerable issues currently facing the industry and that HRNZ needed to be proactive in determining strategies to enhance the industry's position.

The Board also reviewed a paper from the NZRB analysing the difference between the total code and club income and the stakes paid out. This was referred to by NZRB Chief Executive, Chris Bayliss, as the "missing \$100m" at the recent Annual Conference.

The Board considered that further analysis and detail was required to ascertain a more accurate financial position on this. Accordingly, it was agreed that analysis would be undertaken over the next three months to aggregate code and club financial statements for the 2012/13 year. This information will be valuable as the Board undertakes its strategic planning. It was felt important that HRNZ have a good understanding of the financial position of clubs and the industry on a national and regional basis.

## **4. AGE GROUP RACING REVIEW**

The Age Group Racing Review Group met the day prior to the Board's meeting. The key aim of this meeting was to progress the review of the current structure of age group racing and the concept of reducing the number of premier meetings in the 2014/15 season, but enhancing their status and quality. Representatives of the Sire Stakes Board are also involved in this review, with consideration also being given to possible new races that could be introduced to provide more balance to the current structure of the age group racing calendar.

A key aspect of the proposal is a more logical flow and structure of premier meeting dates in the period from March through to May. It was agreed that a schedule would be developed looking ahead for the next five years to determine what issues Easter may create and considering further options in this area. It was agreed that management would continue to progress the review with the aim of possibly introducing this for 2014/15 provided there is support from the Auckland TC, NZMTC and Sires Stakes Board for doing so. It was felt that the changes being considered will give a better opportunity for the code to profile its feature racing while providing a more logical flow of racing opportunities and dates for industry participants.

## 5. HRNZ 2012/13 ANNUAL REPORT

The Audit & Finance Sub-Committee reviewed draft financial statements for HRNZ for the year ended 31 July 2013. These had been subject to material audit clearance, with an expectation that HRNZ's final Annual Report will be printed and available for distribution to the industry in early November.

In the final confirmation of funding for the 2012/13 year from the NZRB, the level of funding to the industry was in excess of that budgeted. As a result, the balance of the code distribution account is healthier than that projected at 31 July in the Annual Plan for 2013/14. It was agreed no decision would be made with respect to allocating any additional funding to the industry until February 2014, at which time a more accurate "feel" could be given as to projections for the 2013/14 season. It was also agreed that Management would prepare a report for the next Board meeting analysing factors in the increased funding that was made available by the NZRB.

## 6. DEVELOPMENT OF INDUSTRY KPI'S

The Board reviewed a paper from the NZRB on the possible development and introduction of key performance indicators (KPI's) for the industry. These will include KPI's based on turnover, field sizes and the yields on fixed-odds betting. Some issues were noted with respect to the decline of field sizes for harness racing in 2012/13 and the lower average yield on fixed-odds betting for our code compared to the other two. It was agreed that this would be monitored closely and liaison held with the NZRB as to steps that could be taken to improve the code's performance in this area. It was noted that the results for the 2013/14 season to date were relatively encouraging with some small improvements noted.

## 7. STARTERS' MEETING – STOPPED RACES RE-RUN PROTOCOL

The Board reviewed Minutes from a recent meeting held of all Starters from around the country with representatives of the RIU, Trainers & Drivers Association and HRNZ. It was generally felt that the meeting was worthwhile in helping to ensure greater consistency and a better understanding of issues from all parties' perspective, with it agreed that such meetings will be held on an annual basis.

At the meeting, a protocol for the re-running of stopped races was reviewed and confirmed. This was subsequently approved by the Board and is attached as **Appendix 1**. It details the approach that will be adopted by Stipendiary Stewards for determining whether stopped races will be re-run or not. This is issued as a formal directive by the Board.

## 8. 2014 HARNESS JEWELS CONDITIONS

Following on from its decision at its August meeting that one Australian horse will be selected to start in each Harness Jewels event, the Board reviewed amended conditions for the 2014 Harness Jewels. These are now available on HRNZ's website. At the meeting, it was agreed that if the Australian selection did not take up their invitation, the 13<sup>th</sup> NZ horse on the order of ranking would be eligible to start in the race, thereby ensuring that there are 13 starters in every Harness Jewels race. HRNZ also consulted with Harness Racing Waikato and representatives of the Northern Trainers & Drivers Association as to preference for Jewels races being over a mile or 1700 metres. Feedback was received supportive of retaining all races over a mile in line with previous years.

Considerable discussion also ensued with respect to the process for the selection of the Australian entrants. It was noted that this was going to be determined by a panel comprising Andrew Kelly (Harness Racing Australia CEO), the handicappers from Queensland, New South Wales and Victoria and Darrin Williams (HRNZ's Racing Manager). The timetable for the announcement of the Australian selections is currently being confirmed with Harness Racing Australia and is likely to be staggered over a four week period in April/May. The purpose of this will be to maximise coverage and fit in with other NZ feature races. For example, it is likely that the Australian 4 year old male selection will be advised

on 1 April to allow the horse concerned greater opportunity to potentially travel to NZ for the Taylor Mile and Messenger.

The Board discussed the selection method to be adopted by the Australians, with it agreed that HRNZ would convey that consistent with the NZ system whereby stakes won in restricted races do not count, the Australians should be conscious of excluding performances in restricted races when selecting their entrant. Discussions are also being held with Sky Channel to have the announcement of each Australian selection announced live on "In The Gig". This will ensure greater coverage in the Australian market over a four week period and help further increase awareness of this event.

## 9. HRNZ SYNDICATE FEES

The current costs to register a syndicate with HRNZ are as follows:

- \$25 per member to a maximum charge of \$300; and
- An annual renewal fee of \$25 per syndicate

The Board resolved that the \$25 per member registration fee for syndicate members will be discontinued. The Board felt that this is a small way it could help remove a cost for owners and encourage syndication. The annual renewal fee and process will be retained as it is felt this is important to try and ensure that syndicate details as per HRNZ systems are accurate and up-to-date. The estimated cost of this initiative is \$15,000, which will be covered from the code distribution account.

## 10. IN BRIEF AND MATTERS UNDER ACTION

The following matters were also considered at the Board meeting. Some items are noted as under action for review at subsequent Board meetings:

- Independent Review of the Judicial Control Authority – meeting on 18 October to progress
- Correspondence from the NZRB re Loan and Special Funding Criteria
- Provident Fund payment to ill licence holder, T Robertson
- Report from RIU seeking consistency between the three codes on their approach to the unpaid forfeit list – referred to Rules Sub-Committee for consideration
- Review of the Venue Services and Trackside Recoveries Charging Model for 2013/14
- Approval on a one year basis of additional funding of \$11,000 to the Trainers & Drivers Association following receipt of their Statement of Responsibilities and Intentions for 2013/14
- Update on computer developments with the introduction of the handicapping system changes
- Approval of the HRNZ marketing budget for 2013/14
- Review of nominees for the independent position on the NZRB
- NZRB betting developments and possible options to increase wagering
- Statistics for season to date – summary attached as **Appendix 2**

## 11. NEXT MEETING

The next HRNZ Board meeting is scheduled for Monday 11 November 2013.

The Breeders Liaison and Dates Sub-Committees are to meet the day prior on Sunday 10 November.



Edward Rennell  
CHIEF EXECUTIVE



## STOPPED RACES – RE-RUN PROTOCOL

The following protocol has been developed in conjunction with the Racing Integrity Unit to outline the policy to be adopted in the re-running of stopped races.

- If a race is stopped after the horses have run more than 1,000 metres the race will not be re-run on the day of the race meeting due to animal welfare considerations.
- If however the race is stopped within 1,000 metres of the start of the race the Stipendiary Stewards will have the discretion to have the race re-run.
- Prior to doing this, all horses looking to take part in the re-run will be checked by the veterinarian at the start. Drivers will liaise with Stipendiary Stewards via the Starter to confirm they are comfortable with their horse taking part in the re-run.
- Drivers will be given the option of having their horse late scratched if they believe it is not in a fit condition to race and its performance would be impaired.
- Trainers of horses in the race will be requested to go to the Stipendiary Steward's room if they do not wish their horse to take part in the re-run.
- Stipendiary Stewards will liaise with NZRB Race Day Control to determine the appropriate time for the re-run of the race to take place. This will be within 45 minutes of the time scheduled for the original race.
- The final decision as to whether the race is re-run will be made by the Stipendiary Steward in charge of the meeting.
- If there are any matters requiring further determination, the Stipendiary Steward in charge of the meeting will have the ultimate authority in relation to this.

**CONFIRMED BY HRNZ BOARD, 4 OCTOBER 2013**

