

17 August 2020

INDUSTRY UPDATE

1. Changes to Voting Model

Harness Racing New Zealand is investigating a new voting model to reflect changes in the racing calendar.

Work on the model started as soon as the 2020/21 meeting dates were finalised as HRNZ recognised that a review was needed to protect the voting position of some clubs who had no racing licences in the new season.

As a result, a new voting model will need to be developed to take account of the needs of all clubs. Given the importance of getting a new voting structure right and the lack of time until the AGM in November, it is proposed that the voting at the 2020 AGM will be based on the betting licences allocated to a club for the 2019/20 season as a transitional measure.

To effect this change, it is proposed that the first item of business at the AGM in November is for the current voting model to be based on the 2019/20 allocated licences, instead of being based on the 2020/21 allocated licences. If adopted this means that clubs will have the same voting power at the 2020 AGM as they did for the 2019 AGM.

2. AGM and Industry Day

The **AGM on Wednesday 18th November 2020** is being held later than normal because of the significant increase in our auditor's workload due to the impact of Covid19. They needed extra time to catch up and complete all their clients' work including HRNZ, so we can present appropriately audited financial results. The AGM will be held digitally - essentially a Zoom call.

The **Industry Day has been set for Friday 2nd October 2020**. Originally the Board decided not to hold it to minimise the expense and cost to the industry but changed its mind following some feedback.

This day will not follow the normal conference format. There will be some presentations, and some rule and constitutional amendments to review, with the balance of the day being a workshop format. Once we have confirmed the structure of the day, we will let you know.

3. Harness Jewels 2021

The Board of Harness Racing New Zealand has confirmed that they have a desire to run the Jewels in the Waikato next year, with a provisional 9-race card set down for Sunday, June 6, 2021. The Board wants to continue to provide some aspirational events for the industry, however, the ability to run the Jewels hinges on there being enough capacity in both Code and Club funding to support the proposed event. We hope to resolve this in the next five to six weeks. If the event does go ahead it will be on a reduced stakes basis than previously.

4. Appointment of CEO

Following this month's HRNZ Board meeting, Chair Ken Spicer has also announced that the contract of Interim Chief Executive Phil Holden has been extended and becomes fixed-term. *"We are very confident in Phil and with all the changes going on it was felt that it was important to have consistency and stability".*

Holden, who was an Independent Director on the Board before stepping down and taking over from Peter Jensen earlier this year, is delighted to have the Board's backing. *"So much has happened since May when Peter left. It is a complex business in complex times but it's a challenge I am enjoying and look forward to building on in the future,"* said Holden.

Holden will continue to live in the Wairarapa but will commute regularly to Christchurch. *"I don't see any problems with that. I am there every week and liaise many times every day with the other members of the management team. It also provides me with the ability to base myself in Petone at the TAB NZ office which I do now and will continue to do on a weekly basis. I see strengthening that relationship and building our visibility there as very important at this time".*

One of his goals is to improve HRNZ's relationship with all stakeholders. *"I'm very keen to improve communication, transparency and accountability to everyone in the industry."*

5. Board Nominations

As a result of governance changes introduced in 2019 one of last year's elected Board members is required to retire from the Board at this year's Annual General Meeting. A ballot was conducted which resulted in the retirement of Kevin McNaught.

Nominations will be called to fill this vacancy, and the process for appointment of the Independent Director position, will begin shortly.

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