



IRISH GREYHOUND BOARD

**Irish Greyhound Board response to
Indecon Report of Certain Matters Relating to Bord na gCon**

Submitted to:

Minister for Agriculture Food & the Marine

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Irish Greyhound Board - Response to Indecon Report

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Irish Greyhound Board - Response to Indecon Report

Introduction

The Irish Greyhound Board (IGB) welcomes the Indecon report and regards it as a landmark report in charting the future direction of the Irish greyhound industry. This response as a priority deals with resolving the key strategic challenges faced by the IGB as outlined in the Indecon report including

- Reducing debt and associated interest payments. .
- Reversing the decline in operational surpluses.
- Addressing the pension deficit.
- Enhancing incentives for growth of the greyhound pool.
- Strengthening the regulation of racing and improving the welfare of greyhounds.
- Improving internal resources and systems by ensuring an adequate skill base.

Similar to conclusions reached by Indecon the IGB believes that these challenges can be addressed to ensure the long term sustainability of the industry. In response to the report IGB has prioritised the measures within its control to ensure that action and progress has already commenced on a number of the recommendations involving the governance, regulatory, financial and welfare aspect of the IGB business. In relation to the recommendations outlined in the Indecon report relevant target implementation dates are set out within this reply and summarised in Appendix 3 of this document.

This multi-pronged response to the Indecon report will ensure the successful development of the sector underpinned by robust regulatory and welfare regimes and will result in a clear framework for the IGB in setting out the core values, deliverables, objectives and standards to be achieved in its daily business framework.

Governance, Management Resources and Risk Management

Overview

The IGB aspires to implementing the highest standards of corporate governance in all aspects of its operations. To this effect the IGB accepts the recommendations in the Indecon Report to deliver best practice in complying with all of its obligations as set out in the Code of Corporate Governance for State Bodies in association with IGB internal policies and also their compliance with all relevant statutory obligations.

The following paragraphs detail the actions in respect of the governance, management resources and risk management recommendations in the Indecon report

1. Strengthening Board of Directors and Management

Action Points	Lead	Completion Date
Additional appointments to the board and restructured appointment processes	Department of Agriculture Food & the Marine (DAFM)	Subject to DAFM Review
Board members to step down from local boards & review of subsidiary structure	Board of IGB (Board)/IGB Chief Executive Officer (CEO)	Board approved, effective Quarter 2 2015
Review of subsidiary structure	Board/CEO/CFO	Quarter 2 2015
Training for board members	Board/CEO	Quarter 2 2015
Review of effectiveness of board	Board/CEO	Ongoing

The Board look forward to the Minister's additional appointments to the Board. The Board appreciates that this may be dependent on amending legislation and in the interim will appoint additional expert advisers should it be considered necessary in respect of any particular issue or initiative requiring specialist knowledge. In addition a governance training programme will be launched for Board members by mid-2015, which will also include the ongoing review of the effectiveness of Board operations.

IGB accepts the recommendations in relation to stadia subsidiaries particularly in respect of main Board members acting as local directors. Main board members will cease to operate as local directors by mid-2015 at the latest. The IGB are considering a restructure of the current subsidiary format, with a view to improving efficiencies and increasing transparency on financial reporting from each business unit. This review will be completed by mid-2015. Part of the review will include the role of board members in local Stadia. Local involvement is important to the operations of local stadia. The challenge for the IGB is to ensure that there are open channels of communication between local stadia and the IGB on issues of importance relevant to individual stadia and to the local greyhound industry supporting each stadium. The IGB recognises that if Board members are not acting as local directors, there will be a need to maintain a feedback mechanism to channel local views to the IGB.

2. Immediate appointment of a Risk officer

Action Points	Lead	Completion Date
Expansion of executive Risk Committee & appointment Risk Facilitator	CEO	Completed Quarter 3 2014
Risk Communication Policy	HR	Quarter 4 2014

The management of risk is a key tool of the IGB in taking the industry forward. Due to the complexities and range of risks associated with the IGB it was deemed more appropriate to expand the risk committee rather than delegate all such risks to a single risk officer. The risk management committee now includes the CEO and all the senior executive management team. Broadening the responsibility in this way will

ensure all relevant risks are continually assessed and also protects the Board in the event of one person being unavailable to fulfil the responsibilities of the role.

This executive risk management team is supported by a recently appointed risk facilitator who is tasked with maintaining a risk register as identified by the risk management committee. The risk facilitator is also charged with ensuring that any risks identified by the audit committee or the Board itself are incorporated into the risk register. This risk register management strategy grades risk according to the likelihood of an impact on the organisation as well as examining the potential critical incidences for the organisation. The strategy will also include a Risk Communications Policy giving all staff a means of reporting risks and escalating risks to an appropriate line manager and beyond. In this way the IGB is positioned to respond to emerging risks at the earliest opportunity so as to minimise risk escalation.

3. Quarterly review by Main Board and Audit committee of an updated Risk Register

Action Points	Lead	Completion Date
Ensure appropriate rating applied to key risks	Executive, Board & Audit Committee	Completed in Quarter 3 2014. Subject to ongoing review
Updated risk register reviewed by Audit Committee & the Board	CEO/Audit Committee/Board	Completed in Quarter 3 2014. Subject to ongoing review

As part of its new risk management policy, the risk register will be reviewed quarterly by the Audit Committee and by the Board. It will be the role of the Audit Committee to ensure that any risks brought to their attention are advised to risk facilitator for inclusion in the risk register. The updated risk register has already been reviewed at the last two main board meetings and at the recent audit committee meeting held by the IGB. In addition any critical risks will be discussed at each subsequent Board meeting.

4. Revised Corporate Governance Procedures to be developed

Action Points	Lead	Completion Date
Review of corporate governance procedures with introduction of new internal code of governance appropriate to IGB	Board/CEO	Quarter 2, 2015
Division of responsibilities between executive and board	Board/CEO	Quarter 2 2015
Internal staff Communication policy & process	HR	Commenced & ongoing

The review of the effectiveness of Board operations (identified in Recommendation 1) will also provide an opportunity to further develop the IGB Code of Corporate Governance and strengthen IGB procedures to meet these requirements under the Code of Corporate Governance for State Bodies and also under IGB establishing legislation. In addition, this review will provide greater clarity on the respective roles of the IGB Executive and Board.

Arising from this work the IGB may make legislative recommendations to the Minister to provide for more structured powers of delegation from the Board to the Executive. The IGB recognises the key role of its staff in supporting corporate governance frameworks. As part of the governance work over the coming months the IGB will implement an internal staff communications policy and process to inform and consult with staff on the key happenings in the business and the organisation and in turn enable staff to highlight issues requiring attention within the organisation. A new IGB Code of Corporate Governance will be implemented by mid-2015.

5. Enhanced reporting by the Internal Auditor to the Board

Action Points	Lead	Completion Date
Enhanced reporting by Audit Committee to the Board	Board	Completed & ongoing
Audit committee to set schedule of regular meetings together with schedule of Audit Priorities	Audit Committee	Quarter 4 2014
Formal tender for internal audit services with the chosen internal audit service provider to be appointed by the board	CEO/ Board/Audit Committee	Quarter 2 2015

The IGB notes the recommendation in the Indecon report that there is formal reporting by the audit committee directly to the Board. The function of the internal audit within the IGB has a critical role to play in assisting the Board in carrying out its duties and responsibilities in connection with IGB's accounting policies, internal controls and financial reporting and such related matters as maybe referred to it by the Board. The audit committee will prepare an annual schedule of meetings at its next meeting together with a work programme for the coming year.

The internal audit service provider attends each Audit Committee meeting. As has been the experience of previous main board meetings, a summary report of each audit meeting is presented at the subsequent Board meeting by the Audit Committee Chairperson. In addition it is open to the internal audit service provider to seek direct access to the Chairperson of the Board on any matter or vice versa.

The IGB will run a tendering process for internal audit services. The timing of this tender will take into account current business activities, and also the current work programme of the existing internal audit plan. The IGB will have completed the tendering process by end of Quarter 2 2015. Following this process the internal audit service provider will be appointed by the Board.

6. IGB to ensure adequate internal resources to meet the needs of the organisation

Action Points	Lead	Completion Date
Review of staff structure	CEO/Human Resources (HR)	Quarter 2 2015
Develop future staffing plan and training needs analysis	CEO/HR	Quarter 2 2015
Develop Corporate Unit (Dealing with Freedom of Information, Press Queries & Corporate public relations)	CEO/HR	Quarter 2 2015
Staff recognition policy implemented	CEO/HR	Quarter 4 2015

The IGB values its staff and recognises that many are currently working long hours to deliver the IGB mandate. The IGB will conduct an organisational review to ensure that their staff is deployed in the most efficient manner possible to deliver maximum effectiveness. This organisational review will be completed by Quarter 2 2015.

The IGB will also ensure that staff have the appropriate support, development and training so that they will adopt the best time management and personal organisation skills. Additional resources will be made available where required to ensure IGB develops as an innovative and creative organisation for the benefit of the industry. Achieving an innovative and creative organisation will be grounded on a performance based culture driven by a staff performance management scheme. The result will be that IGB staff will contribute at the highest level to the success of the business.

Cost cutting exercises in recent years have resulted in minimal staff development throughout the organisation. The IGB will seek to provide additional support to staff to encourage development and the learning of new skills and competencies. An annual training need analysis process will be carried out in

order to identify skill and competency gaps and a costed training and development plan then produced in order to fill these gaps. This analysis will be completed by Quarter 2 2015.

A staff recognition policy will also be put in place by Quarter 4 2015 to recognise and acknowledge staff members who go to extra lengths to get tasks and projects completed in time or give a superior service to IGB customers and stakeholders.

The IGB have operated through a major degree of organisational change, including significant downsizing over recent years. At this time of significant change for the organisation, the IGB will conduct a staff opinion survey to assess current staff morale and to consider the best ways IGB can support its staff in realising the objectives of the Report. This survey will be completed by Q4 2014. IGB will consult and collaborate with staff on all aspects of the changes over the coming months so that their practical experiences can be incorporated into the many new initiatives across the industry.

Subject to the outcome of the organisational review IGB will adjust its structure to ensure that it has the best structures to drive change.

In 2015 the IGB will establish a dedicated Corporate Unit to serve the organisation – in terms of Governance, Freedom of Information, Press queries, corporate publications and other legislative compliance. This service will ensure corporate issues currently being dealt with by other units will receive priority attention within the organisation.

Summary

The IGB accepts these recommendations and will ensure that its Corporate Governance structures are strengthened and are sufficiently robust to deal with the day to day challenges of a commercial organisation operating in a statutory framework. Through delivery of its mandate, the IGB will ensure the objectives are fully achieved for the benefit of all those in the greyhound industry – owners, trainers, breeders, employees and patrons alike – and public funds are being dispersed as economically and efficiently as possible in accordance with public financial procedures and the “*public Spending Code*”. The IGB will also ensure that its governance frameworks set out the core values and standards to be delivered in its daily business operations. This will be reinforced by robust risk management, overseen through the functions of internal audit with the audit committee and ultimately by the Board so as to make accountability real.

Commercial and Financial Action

Overview

The objectives of the IGB financial plan will be to return the financial performance of the group to an operating profit ¹ of €3.5m by the year ending 31 December 2017 and in conjunction implement an asset disposal strategy.

Achievement of this financial objective will ultimately result in:

- ✓ A reduction of bank borrowings to a level appropriate to the IGB business model. A return to an appropriate level of prize money and related subsidies supporting breeders, owners and other stakeholders.
- ✓ A review of the current racing product to ensure that it meets the needs of the Irish and international markets.
- ✓ An expansion of the products offered by the IGB to reduce the reliance on the current traditional product.

Challenges faced by IGB

As noted within the Indecon report the IGB has experienced significant changes and challenges to their financial model to include:

- a. Legacy debt is affecting industry investment. Additionally the majority of IGB freehold assets are required to support the bank loans.
- b. Deficit in staff defined benefit pension scheme.
- c. Broaden Tote revenue channels.
- d. Reputational issues.
- e. Increased losses from stadium operations due to reduced consumer spending & declining attendances, challenges to maintain stadia.
- f. Reduced government support from the Horse & Greyhound Racing fund which has fallen from €15.3m in 2008 to €10.84m for 2014.
- g. Reduced income has resulted in a comparable reduction in operating expenditure since 2008. This has resulted in the Industry being under promoted & underfunded. Bank obligations along with reduced contributions from all stadia licensed (17 in total) by the IGB are restricting appropriate levels of support to the Industry and its expansion to change current reliance on the current traditional product offering.
- h. Investment to update the information technology infrastructure to ensure the IGB product is a deliverable product in the current era of smart technology and continues to offer the necessary support for the race management system operating in all 17 stadia.
- i. Industry participation including the decline in greyhound pools, breeding, ownership and trainer numbers.
- j. Risk that calibration of racing may result in some stadium operations being unviable.
- k. Acceptance of an asset disposal strategy which was an accepted requirement under previous capital development plans, however these sales did not materialise due to the decline in property values as a result of the economic crisis. Such a strategy is required to reduce IGB gearing levels to allow the industry to function effectively for the IGB requirements to regulate and develop the industry.

¹ Operating profit is defined as Profit before interest, taxation, depreciation and amortisation.

Opportunities available to IGB

While there are many challenges to be addressed with the implementation of proposals included within this reply, parties supporting Irish greyhound racing should be aware of the opportunities currently available to the industry.

1. 1,899 breeders remain in the industry registering 2,746 litters of pups in the year ended 31 December 2013.
2. Irish greyhound racing is a traditional industry which remains engrained within Irish Culture.
3. International acceptance of the quality of Irish bred greyhounds continues to present many commercial and breeding opportunities.
4. The IGB has an established stadium infrastructure in high population centres.
5. Significant demand for Irish greyhound racing content supplied by the IGB exists from many international wagering outlets.
6. The Board of the IGB has appointed an executive team that are committed to meet the required objectives of the industry.

The plan designed to achieve the stated financial objective incorporates the recommendations identified by the Indecon Report including:

- A plan for asset disposals.
- Calibrate the number of race meetings at poorly performing stadia.
- Priority focus on co-mingling and fixed odds betting opportunities.
- Exploration of alternative sources of commercial income at stadia.
- Further develop the plan to resolve the pension scheme deficit.

7 Asset Disposal Strategy

Action Points	Lead	Completion Date
Non-core assets - Tender for sale of non-core assets	Chief Financial Officer (CFO)/CEO/DAFM/Board	Henry Street property on the market. Tender for sale of other chosen non-core assets quarter 2 2015
Core Assets - Conduct zoning and due diligence on all core assets Tender for sale of selected core assets in a manner that delivers maximum value to the IGB	CFO/CEO/DAFM/Board	Q4 2014 Tender for sale of chosen core assets quarter 4 2015

To achieve a meaningful debt reduction an asset disposal strategy will be implemented by the IGB. Original financial plans supporting the Limerick development envisaged the disposal of board assets to finance the related additional debt. While assets envisaged for sale in 2009 remain, the current estimated realisable values of these assets do not match the projected sales value anticipated when Limerick stadium was being undertaken, due to fundamental changes in the underlying economic environment.

The objective of the IGB is to maximise the value of any assets being sold in light of current market conditions. Maximum value of any assets owned by the IGB being considered for sale will depend on quality of title held and zoning associated with each chosen site. As recommended within the Indecon report Harold's Cross will be included in the asset disposal programme. There will be a requirement to invest in a capital programme to modernise remaining stadia.

IGB are committed to the sale of non-core assets, it is expected some sales will materialise by the end of 2015. Non-core assets will include:

1. Sale of former IGB Headquarters, Henry Street, Limerick.
2. Certain lands adjacent to Cork Stadium.
3. Unused office accommodation located within the IGB stadia network.
4. Meelick lands.

8 Calibrate the number of race meetings at poorly performing stadia

Action Points	Lead	Completion Date
Preparation of Key Performance Indicators	CFO/CEO/Board	Completed Quarter 3 2014
Calibration of race meetings to include review of racing programme & financial support for higher profile events	CFO/Executive Team	Quarter 4 2014
Review of operational performance and plans for track improvement	Director of commercial operations (DCO)/Executive Team	Quarter 4 2014
Effectiveness review of Head office operations	CFO/CEO/ Executive Team	Commenced & ongoing
Restructure of levy collection process	Proposal to be submitted to DAFM	Quarter 1 2015
Analyse updated KPI results from all licensed stadia	CFO/CEO/Board	Quarter 3 2015 & ongoing

The IGB will implement a specific programme to calibrate levels of racing activity, which will have a direct positive impact on operating profit to achieve the stated financial objective and fulfil the goals of the IGB to consolidate and develop the Irish Greyhound Industry.

The number of races held in 2013 at all licensed stadia (17 in total) has declined by 4% since 2011. The decline in the average greyhound racing pool was 24% over the same period. The IGB has maintained racing at the higher level to support some local stadia, a material reduction in the number of meetings to match the decline in the racing pool would have resulted in these operations being unviable. Notwithstanding the calibration proposal the IGB will request all stadiums to review their operations in order to achieve key performance indicators (KPI) as outlined below. Accordingly the IGB will currently maintain their support for now to all 17 licensed stadia.

Continued IGB support in the form of all grants and prize money grants will however be dependent on improved financial returns from these stadia. The IGB have developed key performance indicators (KPI's), showing the level of effective subsidies, which will score stadia performance against the following different elements.

- i. Financial returns including tote from stadia measured separately by spectators and meetings.
- ii. Greyhound racing pools available to each stadium
- iii. Number of spectators supporting each stadium.
- iv. Value of sponsorship originating from each stadium.

KPI's calculated on 2013 results have been documented in Appendix 1 of this report.

In addition to the measures taken on calibration of racing the IGB will consider future financial support for proposed racing programmes based on the stadiums achievement of these set KPI's. Such considerations will include a review of other stadiums achievements of the set KPI's within the common geographical area. In light of the current funding model IGB must prioritise funding those tracks who are contributing the most to the long term sustainability of the sport and the industry, thus adjusting scale of

activity to sustainable levels. Therefore prize money support will be prioritised to those tracks achieving the appropriate score of these key metrics. This review will commence following publication of financial results for Quarter 2 2015. The IGB accepts that in the longer term this approach may mean operations at certain IGB and private tracks will not be sustainable based on current performance levels.

In addition to the proposed calibration of racing in 2015 other adjustments to prize money are necessary to maintain financial support to the 17 licensed stadia and have been calculated so to reduce the impact on the majority of greyhound owners & breeders. The following outlines the projected adjustments identified which are in addition to the decision of the IGB to reduce race grants to 2012 levels (estimated at €0.75m) as announced on August 30th 2014:

Calibration of racing proposals

1. IGB propose to change the racing programmes in selected stadia from the current schedule to a revised schedule based on a review of the commercial operations associated with the related racing programmes. The planned rescheduling will include racing two nights per week from a current 3 night schedule; additionally extending racing one night per week for 2015 for stadia selected.
2. IGB propose to reduce the number of race meetings in 2015 by 86 meetings across the various licensed stadia. Reduction of meetings, while resulting in a prize money saving will have a consequential reduction on Tote income. Therefore this and any further calibration of racing will be subject to an ongoing detailed review.
3. Other adjustments: IGB plan to reduce reliance stadia have placed on the IGB to sponsor higher profile events. While the IGB will not totally withdraw such support it is expected that stadia will secure sponsorship to maintain such events. The IGB expects similar level of winning prize money will be made available to the greyhound owner for each event.

The prize money adjustment from these steps is projected to total €0.36m for 2015.

Effectiveness review of operating structure

A review of the operational structure was undertaken at head office and IGB stadia level so as to ensure that the burden of any cost saving measures will be spread as widely as possible and not solely on greyhound owners, trainers and breeders. While operating costs of the IGB have been reduced by €6.7m since 2008, including payroll costs being reduced by €2.3m; further cost efficiencies are planned. Recommendations from this review include:

Review of IGB Stadia operations - IGB will improve financial performance from their stadium network. These improvements will be achieved through a combination of increased revenues and operational cost efficiencies.

Projected Financial Improvement from Review of IGB Stadia operations

	2015 €000	2016 €000	2017 €000
Projected operating operational savings from revised race schedule	49	-	-
Targeted growth for attendance groups	78	81	84
Targeted track improvement for IGB stadia by sales growth and cost restructure	157	166	87
Projected savings from centralisation of services	28	20	-
Projected income from alternative sources	-	75	125
Projected Track Improvement	312	342	296

Levy Collection: Bookmaker (Levy) Turnover has decreased by 66% since 2009. Collection of these levies is a cost to the IGB. Subject to legislative changes, the IGB will review bookmaker fees and payments in an attempt to encourage growth into a fundamental part of track racing activities. Savings of circa €50,000 are projected from such a restructure.

Head Office Review - IGB will implement operational cost efficiencies within the administration & regulatory functions associated with Irish Greyhound Racing. Furthermore IGB will be exploring the option of centralising administrative duties along with regulatory and racing functions taking account of the regionalised structure thus availing of the potential synergies of the IGB. The IGB project initial savings of circa €237,000, net of restructuring costs.

9 Priority focus on co-mingling and fixed odds wagering opportunities

Action Points	Lead	Completion Date
Development of IGB information technology environments	Director of Tote (DT)/Executive team	Completed
Develop co-mingling contracts & income streams	DT/Executive team	William Hill & other similar agreements secured, contracts ongoing
Conclude negotiations with TV providers	DT/CEO	Quarter 4 2014 & ongoing
Increase size of Tote Pool liquidity	DT/CEO	Commenced & ongoing
Enhancement of archived video footage	DT/CEO	Quarter 2 2015

The IGB has prioritised co-mingling and fixed odds betting opportunities as a source of additional funding. This area is very much uncharted territory both for the IGB and its betting partners, many of whom are global leaders in their fields as shown with the recent announcement of an agreement with William Hill.

The IGB has progressed a multi-stranded approach to maximise return on investment in new technology. To date co-mingling deals have been concluded with major operators in Europe and America, with fixed odds contracts concluded for South Africa and negotiations ongoing with other European contacts for their significant online business.

Comingling deals will have the additional significant advantage of increasing the liquidity in the traditional Tote pools making it an attractive proposition for commingling partners and domestic users.

Live streaming of IGB tracks will also present additional sponsorship & advertising opportunities as the Irish greyhound product will be placed in front of millions of active on-line customers. This projected sponsorship contribution will be used to reward various stakeholders in the industry.

The IGB is also pursuing television content contracts with a number of operators who currently sell such content to various wagering outlets. TV requirements may involve changes to plans associated with the aforementioned calibration of racing, therefore a requirement for a flexible approach to any racing programme. The IGB are in advanced negotiations with a number of TV providers.

In addition the IGB has partnered with a UK operator to access the UK Tote pool to provide additional wagering pools to Irish customers with Tote offering customers various levels of guarantees on place pots and jackpots. This is the first co-mingled multi-leg pool wagered in greyhound racing to be launched and has proven the concept to be a viable proposition.

All such projects are under monthly review to ensure delivery in as tight a timeframe as possible.

The next steps in maximising this potential income for the IGB are to broaden the base offering to IGB customers on various platforms such as developing IGB's betting app (Barking Buzz) and web pages to include tote betting on Irish Horse racing, USA Greyhounds and derivatives games. The target would be to significantly advance on- line and mobile revenues over the next two years.

Development of IGB's information technology network and more significantly reconciliation to meet third parties requirements has resulted in delays of delivery of these new products by circa 12 months. The IGB has prioritised costs of developing this smart technology. This investment also "future proofs" the IGB information technology infrastructure.

Other Tote Considerations - IGB are exploring the options of changing the video fees being offered to the greyhound public. Enhancements to these recording to include availability of split times, freeze frames and other changes that would be advantageous to the greyhound owners are being advanced. The IGB will levy a small daily rate to avail of this service. It is projected that any fees earned from these services would be ring fenced to assist on the development of owners and breeders incentive schemes which are under consideration by the IGB. This project will be implemented by Quarter 2 2015.

Projected Financial Improvement from Review of Tote operations

	2015 €000	2016 €000	2017 €000
Projected income from international co-mingling, TV sales and other related wagering opportunities	600	420	30
Decline in Tote due to calibration of racing	(93)		
Projected Tote operating cost savings	50	20	0
Growth in Tote in line with targeted growth on track attendance groups - Ref Stadia Operations	51	21	62
Projected Tote Improvement	608	461	92

10 Further exploration of alternative sources of commercial income at stadia

Action Points	Lead	Completion Date
Marketing & related strategies	DCO/Executive Team	Quarter 4 2014 & ongoing
Implementation of Sponsorship Strategy	DCO/Executive Team	Quarter 1 2015
Cultural license status	DAFM	Subject to DAFM review
Develop working group to develop new racing formats	DCO/CEO	Quarter 4 2014
Customer relation & loyalty management systems	DCO/Executive Team	Quarter 1 2015
Digital Strategy implementation	DCO/Executive Team	Quarter 1 2015
Ownership & Breeding Programmes	DCO/Executive Team	Quarter 2 2015

As highlighted in the Indecon report alternative sources of income need to be identified and explored. It should be noted that there are already a range of alternative income sources across the stadium network including the following which generated €371,315 of alternative income in 2013:

- Car Parking
- Driving Schools
- Mobile Operator Masts
- Tag Rugby

The IGB are exploring additional sources of alternative income to their traditional offering. Alternative wagering opportunities have been referred to previously.

Some opportunities may require capital investment as markets associated with the conference sector will require high speed Wi-Fi and suitable audio visual facilities. Currently these facilities are hired by the IGB as required; this would not be suitable for regular hosting of such events.

The review of the Food & Beverage Model and the possibility of a dedicated sales resource for the corporate and tour incentive markets will improve IGB income in these market segments..

Further consideration will be given to developing relationships with other sporting organisations to evaluate the possibility of developing mutually beneficial options in IGB stadia.

As outlined previously streaming and the sale of TV content from IGB stadia will present opportunities for advertising and signage as the options become more attractive to potential customers due to the growth in the audience for the racing product.

Sponsorship - The IGB has learned some key messages following research undertaken with leading companies across a range of industries and sectors. While the social night aspect of the offering is understood and rated there is a lack of understanding about what the IGB can offer to the corporate customer not directly related to greyhound racing. Additionally sponsors will require the IGB to include digital and social media activation for any sponsorship agreements. Increased sponsorship at local market level will also be targeted for 2015 and beyond.

A range of possible options for IGB to pursue emanating from the research include, exclusive partnership in specific categories such as food and drink, exclusive race night or series of events, naming rights and title sponsorship of key events.

A strategy targeting a number of key industry participants to consider partnering with the sport is being developed for implementation.

License Status - IGB will seek to achieve cultural licenses for a number of stadia. This will enable the development of a range of non-racing activities and opportunities that cannot currently be undertaken.

This will facilitate greater usage potentially on non-race days and will present the organisation with a range of new potential income streams.

While some success has already been achieved in securing non-racing income the IGB will continue to explore other options so an appropriate return is offered from their significant base. IGB will review stadium facilities and infrastructure to establish what is required to bring the venues to the standards required for non-race day usage and ensure any investment will offer an appropriate return for the investment made and all stakeholders involved in Irish Greyhound racing.

Attendance

The plan to address the financial challenges of the IGB and of local Stadia is heavily dependent on growing attendances at all IGB and private Stadia. Achieving attendance growth for racing stadia business is a challenging and complex objective that requires a multifaceted strategy. A range of factors influence and impact paying attendance performance including the points listed below:

- Level of greyhound ownership.
- Size & quality of greyhound pools.
- Marketing investment in going to the dogs and in the sport itself.
- Quality of experience.
- Disposable income & general economic conditions.
- Seasonality.
- Number of races and race meeting
- Betting with Bookmakers (value of odds available which is linked to the greyhound pool and a clear understanding of form lines and impact of technology on consumer betting patterns)

Consumer engagement will be driven by a clear understanding of consumer segmentation and the reasons why people go to greyhound stadia as set out in research commissioned by the IGB. The focus of marketing and sales activity will be to acquire and retain paying customers for IGB stadia. A complete re organisation of marketing expenditure will be undertaken in Q4 2014 to ensure effective spend is achieved. The initial effectiveness review of marketing spend will be concentrated on stadia with identified target populations and where there is evidence that marketing expenditure is impacting on the bottom line.

Marketing – In line with reducing income and required support to meet capital requirements marketing expenditure has decreased significantly with the following percentage reductions evident from a comparison of 2009 against 2013; Non press advertising – 60%, Online/Digital – 71%, Promotion – 47%, Trade Shows -78%, which has contributed to the decline in attendances. The result has been a reduction in the level of awareness for the sport and the venues particularly among younger customers. Having sufficient marketing resources in the current challenging financial environment is difficult.

In particular, the marketing strategy of promoting individual stadium brands within their local market, defined as 45-60 minute drive time from the venue, will continue to be developed. Based on market research the brand strength from a consumer perspective is at local stadium level and not an IGB corporate brand.

The new brand design theme has been carried through to the recent development of the individual stadium websites and the corporate site. The new sites were developed to function across all devices and

platforms. The individual stadium sites acting as a hub for each local business will now facilitate improved consumer engagement across the range of digital platforms including social media. Online and mobile bookings for each venue can now be made by customers in each local market. www.GoGreyhoundRacing.ie was developed and launched as an umbrella site to facilitate national campaigns for the IGB stadium network.

A night at the dogs is a unique experience in that it enables patrons to actually participate in the sport on the night. People are given the opportunity to fully engage and become emotionally involved in the action. IGB through its marketing activities must market the sport and a night at the dogs to a new generation. Harnessing the power and capability that digital marketing offers to explain and show the excitement of a nights racing by providing video and other types of content relevant to each consumer segment and the reasons why they might go to a stadium will deliver mass communication and improve the profile and understanding of the sport. Video content can be used to demonstrate the range of experiences such as birthday parties, communions, corporate, syndicate owners and tour groups for example. It is a very powerful tool.

To achieve this, a fit for purpose digital infrastructure needs to be available by Q1 2015. The interaction between a CRM/Loyalty, restaurant booking, and digital marketing should be seamless. A level of investment will be required but these are the minimum tools required to build a stadium business today. Customer retention will be developed as IGB has very low levels of frequency of attendance. A comprehensive digital marketing plan building on the new platforms to achieve commercial objectives would be a key element of commercial activities. It is envisaged that a CRM/Loyalty system will be implemented in 2015.

Sales Structure & Resource - A fit for purpose sales structure and resource will be developed and implemented in Q4 2014. An outbound sales model is currently being tested and will be reviewed and a decision made whether to implement it fully. To take advantage of the improving Tour, Incentive and Corporate markets a sales resource will be implemented to build on the successes to date in these sectors.

Evaluation of Food & Beverage Model - Food & Beverage is and must be a key driver of attendance performance. The range of offers for the different markets, innovation, flexibility and speed of response are critical to developing business based on food and beverage. A range of options are being explored by the IGB through the catering tender process to be completed by Q4 2014.

Racing Development - The business and racing model is based on nightly entertainment operating weekly. To reinvigorate the sport and to help market the sport to a new and wider customer base consideration has to be given to establish a working group to develop new racing formats from one off events to racing festivals. Other sports have benefitted from introducing innovative and new formats. This may increase the attractiveness of the sport to media and sponsors. The current format is a mature product; any such working group should have the remit to challenge the current racing format with new exciting options for consideration. The IGB will work with all industry stakeholders to canvass view to develop new racing concepts and integrate these ideas in the future development of the sport. The proposed working group will be established by the end of 2014.

Greyhound Ownership - The level of ownership has declined by 42% from 2007 to 2013. Initiatives will be developed in Q2 2015 with the support of other stakeholders, including trainers, breeders and current owners to promote the value and enjoyment involved in the participation of greyhound's ownership. Increased ownership impacts on the breeding sector and ownership and breeding development schemes should be jointly considered.

Overall - Improved attendance performance is a key objective. It is however impacted by a number of factors including, disposable income, marketing investment, investment in facilities to deliver top class experience for stadium visitors, critical digital and IT infrastructure, fit for purpose sales resource and food and beverage model, stimulation of the sport of greyhound racing through increased ownership and development of racing through new and innovative racing formats.

11 Develop further the plan to resolve the pension scheme underfunding

Action Points	Lead	Completion Date
Agreement of plan to resolve deficit on defined benefit pension scheme	CEO/CFO/HR/DAFM	Quarter 4 2014

The IGB accepts the Indecon conclusion that the defined pension scheme is not sustainable in its current format. The resolution of this matter is a priority for the IGB and the coming months will see ongoing consultation with all parties involved. The IGB are exploring a number of alternative solutions with Department of Agriculture Food & the Marine in regard to the pension deficit. This will require some level of capital injections into a reorganised scheme.

Summary

The IGB remain confident that appropriate financial returns will ultimately be made from the strategic asset investment made over the last 10 years albeit in a longer time frame than originally planned. However the medium future financial position of the IGB will be secured by the conclusion of the asset sales along with the achievement of the objectives outlined on the improvement of operating profits as outlined below.

Summary projection 2015 to 2017 of the IGB Financial Plan - Excluding Asset Disposal

	Total 2015 to 2017	Projected profit by year		
	€000	2015 €000	2016 €000	2017 €000
Race grants reverted to 2012 level	750	750		
Calibration of racing	360	360		
Head office review of operational expenditure including levy restructure	287	105	120	62
Projected Financial Improvement from Review of Stadia operations	949	312	342	296
Projected Financial Improvement from Review of Tote incorporating co-mingling, TV and related operations	1,160	608	461	92
Total adjustment to IGB projected operational profits	3,506	2,134	922	449

Race grants reverting to 2012 levels, implemented by the Board are projected to total = €284,000 savings for 2014

Achievement of these objectives will result in an improved return to greyhound owners, breeders and trainers involved in the industry in the form of additional prize money and incentive schemes being developed to encourage ownership and breeding which will benefit all in Irish Greyhound Racing.

Regulatory Controls

Overview

The IGB recognises the importance in implementing the highest standards of compliance controls in all aspects of its regulatory infrastructure. To this effect the IGB accepts the regulatory control recommendations in the Indecon Report. This will enable the IGB to achieve a robust and credible regulatory system in order to ensure that the IGB are recognised as a world leader in greyhound racing integrity and compliance services.

The following paragraphs detail the actions in respect of the regulatory recommendations in the Indecon report.

12. The Minister to appoint the members of the statutory independent Greyhound Racing Control Committee and Control Appeal Committee.

Action Points	Lead	Completion Date
Committees should have access to scientific and legal expertise	DAFM	Subject to DAFM enactment of amending Legislation
Staggered appointments to committees	DAFM	Subject to DAFM enactment of amending Legislation

The IGB is supportive of this recommendation, in particular that the requisite scientific and/or legal resources are available to adjudicate on each case in utmost competency.

13. Rigorous procedures and processes for regulatory controls must be consistently implemented.

Action Points	Lead	Completion Date
Keep under review protocols in light of control committee decisions	Head of Racing Governance	Commenced & ongoing
Ensure consistency between protocols	Head of Racing Governance	Commenced & ongoing
Set up a Scientific group to advise on rules relating to doping and medication control	Head of Racing Governance	Quarter 4 2014
Review of Standard Operating Procedures in the areas of Anti-doping and sampling race night operations, Track maintenance, Racetrack security	Head of Racing Governance	Quarter 1 2015

The IGB fully endorses this proposal and has made significant advances in reviewing primary and secondary legislation.

Firstly, discussions have already commenced between the IGB and Departmental officials to identify the changes that need to be introduced by way of primary legislation in order to underpin regulation and integrity.

Furthermore, the IGB has been proactive in initiating discussions with the Irish Coursing Club, trainers, owners, breeders and stud dog owners in recent months. The IGB is reviewing all secondary legislation within its remit with a view to introducing changes as appropriate in order to ensure the most effective arrangements are in place with regard to race regulation e.g. anti-doping, welfare of greyhounds,

trainer/owner and licensing legislation, wagering and tote and amendments of exclusion and disqualification legislation. Issues that have arisen in relation to the Artificial Insemination of Greyhound Regulations, 2005 (S.I 561 of 2005) are currently being addressed by IGB by way of the introduction of Amending Legislation. In addition, the IGB are undertaking a project to engage scientific experts in animal breeding to advise on an appropriate regulatory regime for AI in the future. Also IGB is taking steps to ensure that there is absolute clarity between all parties on appropriate protocols and on other aspects of the regulatory processes.

Secondly, the processes for provision of integrity surrounding IGB regulations are fundamental to the successful implementation of reviewed primary and secondary legislation. The IGB is currently revising its Standard Operating Procedures (SOPs) in the areas of Anti-Doping and Sampling Operations, Race Night Operational Protocols, Track Maintenance, Racetrack Personnel and Security at Kennels, and these will be updated and published to align with best practice with similar world-leading racing industries.

The IGB are developing intelligence led strategies around various operations, in particular Anti-Doping. The IGB is committed to working with the Department of Agriculture, Food and Marine on building intelligence into their operations, and see a joint collaboration as a key relationship in increasing its regulatory controls and applying rigorous procedures and processes. For example under the new SOP for Anti-Doping and Sampling Operations, Intelligence will form a vital part of the IGB's Anti-Doping Operations Programme, and the IGB are currently initiating contact with other agencies including sports governing bodies in order to inform and design an anti doping programme. Under this new protocol, information may also be gathered by monitoring competitive results of greyhounds, analytical reports from the laboratory and also steroid profiling of samples taken from greyhounds. Information may also be received from tip offs from the sporting community and the public.

The IGB will organise training for its officials to ensure that these protocols and processes are implemented consistently and effectively at all stadia.

Finally, as regards the current rules relating to doping and medication control, a scientific group will be established by the IGB by year end to review and report on the relevant standards and procedures applied by IGB and to make any recommendations for change. The group will be composed of experts in pharmacokinetics, canine internal medicine, analytical chemistry and greyhound veterinary practice, and will be asked to report back to the Board within a set time frame.

14. Mandatory penalties including exclusion orders and disqualification orders to be imposed for breaches of regulations.

Action Points	Lead	Completion Date
Review of potential proposals and industry consultation	Head of Racing Governance	Quarter 2 2015
New Regulatory plan to be launched	Head of Racing Governance	Quarter 4 2014

The IGB agrees with this proposal and will explore the possibility of introducing mandatory sanctions. It is currently reviewing and comparing sanctions across national and international greyhound and horseracing jurisdictions in order to set guidelines and design a booklet for publication on the IGB website to cover all breaches of its rules. A particular focus of these guidelines will be placed on repeat offenders. These guidelines will serve both as a resource for the Control Committee to assist in effective enforcement of the rules and as a guideline to the public on the sanctions which the IGB considers to be proportionate and dissuasive as regards the breach in question. This guide will also take into account the mitigating and aggravating circumstances pertaining to each disciplinary hearing.

15. Regulations and procedures should be introduced to ensure effective enforcement of penalties.

Action Points	Lead	Completion Date
New Regulatory Racing Code		
-Draft Statutory Instruments as appropriate to underpin regulation	Head of Racing Governance	Quarter 1 2015
Identify any provisions needing to be introduced in primary legislation and inform DAFM accordingly	Head of Racing Governance	Quarter 1 2015
-Standard Operating Procedures (SOP's) complete and available on-line	Head of Racing Governance	Quarter 4 2014
-Anti-doping and medication control – independent review	Head of Racing Governance	Quarter 3 2015
IGB booklet on penalties and procedures	Head of Racing Governance	Quarter 2 2015

The IGB is already ensuring that protocols are put in place to expedite the turnaround times in cases before the Control Committee. This involves a thorough analysis of all components of the chain of custody and procedures that facilitate the processing of a breach of IGB regulations and why delays are arising. In addition the IGB wish to introduce legislation to seek the right of appeal of any control committee decision.

As highlighted by the Indecon Report, the speed of regulatory decisions arising from such breaches will be efficiently communicated to all stakeholders. Breaches will not be tolerated and the IGB sees a variety of sanctions including monetary and order sanctions being appropriate sanctions for such breaches of these regulations.

The IGB agrees with the principle set out in the Indecon report that a temporary disqualification order should automatically accompany a monetary penalty and should remain in force until fines are paid. The implementation of this penalty may vary on a case-by-case basis i.e. proportionality of penalty and co-operation of the parties are also factors to be considered when enforcing this disqualification order and the accompanying monetary penalty.

16. Both IGB and the Irish Coursing Club should be able to independently serve exclusions orders and disqualifications orders, and Regulations and Procedures should be introduced to ensure effective enforcement of penalties.

The IGB agrees with this recommendation and as mentioned earlier, the IGB is working with the Department in its review of primary legislation, in particular section 45 (Disqualification Orders) and section 47 (Exclusions Orders). These provisions, when amended, will ensure that a stronger deterrent-based regulatory system is fixed in primary legislation.

17. Off-track testing for prohibited substances to be implemented.

The IGB recognise this is a crucial regulatory power which will be included within the IGB testing framework and operating procedures under the remit of primary and secondary legislation. However, amendments in the Animal Remedies Act 1993 which are currently being considered by the Oireachtas will also enable the IGB to implement an off-track testing regime. These suggested powers will enable officers of the IGB to be authorised by the Minister of Agriculture, Food and the Marine to carry out certain functions under the Animal Remedies Act 1993. It should be noted that off-track testing extends to testing at official trials and this is a new strategy that will also be included in the new testing framework of the IGB by Q4 2014.

18. **Data on the number of tests undertaken, the number of positive tests and the number of adverse findings to be published.**

Action Points	Lead	Completion Date
Publish on website and annual report	Head of Racing Governance	Ongoing and for completion end 2015
Options paper presented		
Resource centre launched on-line		
Complete regulations department to build into this resource, with various sub sections		
Publish sampling data, SOPs etc.		

The IGB considers these recommendations as absolute requirements to enhance full confidence in the integrity of our sport, and is taking steps to address them. A "Resource Centre" has been installed on the IGB website (www.igb.ie) which will gradually encompass various subsections of testing and results data as recommended by the Indecon Report, and will become a one-stop shop for accessing regulatory resources and ensuring that transparency, education, and integrity are integral to the Industry.

19. **All adverse findings to be published within pre-defined periods subject to rules for adjournments and appeals.**

Action Points	Lead	Completion Date
Standard procedure on publications to be developed	Head of Racing Governance	Quarter 2 2015

The IGB also considers these recommendations as absolute requirements to enhance full confidence in the integrity of our sport, and as mentioned earlier such procedures will be contained in the IGB's guidelines booklet to procedures and penalties and advised to the Control Committee at disciplinary hearings. As stated above, all adverse findings will be published in the "Resource Centre" on the IGB website (www.igb.ie).

20. **Consideration of laboratory testing to be transferred to independent laboratories over time to ensure economies of scale.**

Action Points	Lead	Completion Date
SOPs for sampling to be published to reduce delays and increase efficiency of chain of custody with laboratory	Head of Racing Governance	Quarter 4 2014
Proposals submitted on future of laboratory services	Head of Racing Governance/HR	Quarter 2 2015

The IGB values the role of laboratory staff and the services provided. The IGB are equally conscious of the increasing complexities inherent in, and capabilities required of, a modern testing regime. That being the case, the IGB accepts the recommendation of the Report and to that end will conduct detailed cost and regulatory reviews of the laboratory by Q2 2015 in order to ensure a service which avails of the best combination of outsourced and in-house testing, based on the cost of the testing required and the capability of the laboratories involved to deliver results to the best international standards.

21. Licence applicants to disclose on an annual basis any information in relation to matters under investigation as part of their licence application.

Action Points	Lead	Completion Date
Attaching conditions to licenses subject to disclosure of information and intelligence gathering on connected parties with interviews with trainers under application for a licence.	Head of Racing Governance	Quarter 4 2014 & ongoing

Applicants will be required to disclose on an annual basis any information in relation to matters under investigation as part of their licence obligations. The IGB will also operate on an intelligence-led basis going forward. This will include conducting interviews with new applicants on a case-by-case basis. This is a useful regulatory control mechanism for ensuring that parties wishing to gain access are subject to stringent investigations at the gateway phase of our sport. This also provides the IGB with an opportunity to have a strategic intelligence function. This enables the IGB to have greater capacity to attach appropriate conditions to licenses if approved, as considered necessary as a result of the increased information gathering and investigation process.

22. Formal information sharing agreements to take place with enforcement agencies including Customs and Excise and An Garda Síochána.

Action Points	Lead	Completion Date
Meetings and knowledge sharing with DAFM Special Investigators and various other SGB's: ITC, GBGB, BHA etc.	Head of Racing Governance	Quarter 4 2014 & ongoing
Introduction of reciprocal agreements	Head of Racing Governance	Ongoing

This is a recommendation which the IGB are currently integrating into policies and enforcement practices. It will significantly strengthen investigative capabilities and intelligence gathering. The IGB will develop such agreements by Q4 2014 in accordance with our legislative framework. The IGB will also identify other partners who have similar interests in this area.

Summary

Since the publication of the Indecon Report in July 2014, the IGB has carefully examined the regulatory recommendations set down in the Report and how these can be achieved to ensure a robust and sustainable regulatory framework. As detailed in the above paragraphs the IGB has already embarked on various actions and is planning strategies to carry out the various recommendations, to ensure that delivery of such actions is implemented in accordance within appropriate implementation timetables.

Animal Welfare and Breeding of Greyhounds:

Overview

The IGB is fully committed to implementing extremely high welfare standards within the greyhound industry and ensuring that industry participants are fully compliant with all aspects of the 2011 Welfare of Greyhounds Act. In this regard, the IGB accepts the welfare recommendations in the Indecon Report which will ensure that a strong welfare program is in place within the greyhound industry and that the health and welfare of the greyhound is not compromised.

The following paragraphs detail the actions in respect of the welfare recommendations in the Indecon report.

23. Strengthen the sanctions for animal cruelty.

The IGB accepts the recommendations concerning animal welfare as outlined in the Indecon Report, and sanctions will be implemented and proactively applied by the IGB to serve as a stronger deterrent. The roles of the Welfare Committee and the Welfare Manager will be enhanced in this regard.

Sanctions for Welfare breaches will be enhanced to include:

- Endorsement of Trainers Licences including interviewing of applicant and inspection of kennels at entry stage to greyhound racing industry;
- Issuing of Exclusion Orders to Owners and Trainers from all events licensed by IGB and ICC;
- Issuing of fixed payment notices under section 10 (6), 12 (17) or (18) or 15 (7), of the Welfare Act 2011;
- Issuing of welfare notices to all persons pursuant to Section 20(2) of the Welfare of Greyhound Act 2011;
- Exploring the possibility of increasing financial penalties when issuing the fixed payment notices for the breaches set out in the Section 27(b) of the Welfare of Greyhounds Act 2011

24. Additional supports should be provided for rehoming greyhounds.

The IGB accepts the recommendation that additional funds be paid to the Retired Greyhound Trust and will make additional contributions to the RGT when resources permit.

In the interim, the IGB, through the Retired Greyhound Trust, will:

- Continue to provide financial assistance towards the veterinary costs of Private Greyhound Rescues/Rehoming Centres;
- Identify newly established Private Greyhound Rescues/Rehoming Centres and offer similar financial assistance;
- Identify further rehoming opportunities at home and abroad;
- Continue the collaboration with the Irish Kennel Club to promote greyhounds as pets in Ireland;
- Organise sample checks on the welfare of rehomed greyhounds.

25. Data on the number of welfare inspections and the penalties imposed should be published:

The IGB accepts the recommendation on the publication of data on the number of welfare inspections and the penalties imposed. The IGB will publish this information on the welfare section within the “resource centre” on the IGB website on a regular basis.

26. Specific additional breeding incentive

The IGB recognises the importance of greyhound numbers to the commercial health of the industry and its racing operations, and in this respect we are reviewing additional incentive schemes to increase ownership and grow the greyhound pool.

As mentioned in point 9 the IGB intend to allocate all funds from projected video fees to further support incentive schemes envisaged for breeding and ownership programmes.

Central to any incentive scheme will be a scheme directed towards broadening breeding and ownership. As previously mentioned IGB recognise the need to develop, resource and implement an ownership programme that stimulates breeding and training by increasing the level of ownership. Increased ownership will stimulate the size of the greyhound pools. A direct link exists between attendance, income performance and the size of the greyhound pool and the level of ownership. Increased ownership will contribute to the renewal of the sport and the improved commercial and financial performance of the organisation.

27. Once IGB's debt is reduced and surpluses generated, additional prize money should be provided

The IGB fully accepts the recommendation that once the IGB's debt is reduced and the outlined operational surpluses are generated additional prize money will be provided to the Greyhound Industry.

Summary

The IGB is confident that when the welfare recommendations as detailed above are fully implemented extremely high welfare standards will exist within the industry and that the sanctions imposed on individuals for welfare breaches will serve as a strong deterrent. The IGB has already initiated a number of actions to ensure that recommendations are implemented without delay.

Irish Greyhound Board - Response to Indecon Report

Conclusion

There is no doubt that the IGB has faced some very difficult challenges in recent years. These challenges have touched all aspects of its governance, finance, operations, personnel and stakeholders. The IGB is determined that the measures it takes as part of its implementation of the recommendations in this report will ensure a strong and vibrant future for this indigenous Irish industry as previously outlined in the fundamentals of Strategic Plan 2013-2017. The Indecon Report has given the IGB an opportunity to review the many different and interconnected aspects of its business. Having completed this work, it is the priority objective of the IGB to address the many challenges identified in order to drive the industry forward.

In formulating the reply to the Indecon report, the IGB has received considerable welcome support and offers of assistance from the various stakeholders in the industry. These contributions are critical in delivering solutions that simultaneously address both the financial challenges of the IGB and also the practical issues and problems faced by those involved on a daily basis in the industry.

There are likely to be many more practical challenges in the coming months as the IGB embarks on the implementation of this report. There will undoubtedly be instances of the IGB seemingly working against the interests of individuals or particular interest groups as specific decisions are taken. Where the IGB takes such decisions, it will consult and communicate with all those involved. All views will be considered before any decision is taken. While there will be ongoing consultation on the progress of these implementations, IGB is committed to submit a formal appraisal progression report of all recommendations to Department of Agriculture, Food and the Marine by year end 2015.

The successful implementation of the actions outlined in this report are dependent on continued financial support from the Minister for Agriculture, Food and Marine through the Horse and Greyhound Racing Fund. With this support and the implementation of the actions proposed, IGB will restore the Irish Greyhound industry to a position of financial stability and renewed confidence in its governance, racing integrity and welfare programmes. It is the IGB's intention to position itself as a quality regulator managing an exhilarating fast paced sport where the wellbeing of the greyhound is paramount. The development of the sport will be supported by the IGB commercial offerings of a value for money leisure entertainment business and a wagering product with international appeal.

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Appendix 3 - Timeline on implementations of the Indecon report recommendations

Recommendation	Lead	Date
<p>1. Strengthen Board of Directors and Management Additional appointments to the Board and restructured appointment process Board members to step down from local boards Review of subsidiary structure Training for Board members Review effectiveness of Board</p>	<p>DAFM Board/CEO Board/CEO/CFO Board/CEO Board/CEO</p>	<p>Subject to DAFM review Board approved effective Q2 2015 Q2 2015 Q2 2015 Ongoing</p>
<p>Recommendation</p>	<p>Lead</p>	<p>Date</p>
<p>2. Immediate appointment of a risk officer Expansion of Executive Risk Committee & appointment of Risk Facilitator Risk communication policy</p>	<p>CEO HR</p>	<p>Completed Q4 2014</p>
<p>Recommendation</p>	<p>Lead</p>	<p>Date</p>
<p>3. Quarterly review of updated risk register Updated risk register reviewed by Audit Committee & Board Ensure sufficient risk rating to key risks</p>	<p>CEO Executive, Board & Audit Committee</p>	<p>Commenced and ongoing Commenced and ongoing</p>
<p>Recommendation</p>	<p>Lead</p>	<p>Date</p>
<p>4. Revised Corporate Governance procedures to be developed Complete review with introduction of new internal Code of Corporate Governance appropriate to the IGB Division of responsibilities between executive and Board Internal staff Communication policy</p>	<p>CEO / Board CEO / Board HR</p>	<p>Q2 2015 Q2 2015 Commenced & ongoing</p>

Recommendation	Lead	Date
<p>5. Enhanced reporting by Internal Auditors directly to the Board Enhanced reporting by the Audit committee to the Board Audit Committee to set annual schedule of regular meetings & audit priorities Formal tender for internal audit services with chosen service provider to be approved by the Board</p>	<p>Board Audit Committee CEO/Audit Committee/Board</p>	<p>Completed & ongoing Q4 2014 Q2 2015</p>
<p>Recommendation</p>	<p>Lead</p>	<p>Date</p>
<p>6. IGB to ensure adequate internal resources to meet the needs of the organisation Staff Opinion Survey Review of staff structure & training needs identified Develop corporate unit Staff recognition policy</p>	<p>CEO/HR CEO/HR CEO/HR CEO/HR</p>	<p>Q4 2014 Q2 2015 Q2 2015 Q4 2015</p>
<p>Recommendation</p>	<p>Lead</p>	<p>Date</p>
<p>7. A plan for asset disposal should be implemented Non-core assets – Tender for sale of non-core assets Core Assets – Conduct zoning and due diligence on all core assets Core Assets – Tender for sale of chosen core assets</p>	<p>CFO/CEO/Board CFO / CEO CFO / CEO /Board</p>	<p>Q2 2015 Q4 2014 Initiate Q4 2015</p>

Recommendation	Lead	Date
<p>8. Calibrate the number of race meetings at poorly performing stadia</p> <p>Preparation of Key Performance Indicators for track performance</p> <p>Review of racing programme & financial support for higher profile events</p> <p>Review of operational performance and plans for track improvement</p> <p>Effectiveness review of Head office operations</p> <p>Analyse updated KPI results from all stadia</p> <p>Restructure of levy collection process</p>	<p>CFO/CEO/Board</p> <p>Executive Team</p> <p>DCO/Executive Team</p> <p>Executive Team</p> <p>Executive Team</p> <p>IGB to send proposal to DAFM</p>	<p>Completed</p> <p>Q4 2014</p> <p>Q4 2014</p> <p>Q4 2014</p> <p>Q3 2015 & ongoing</p> <p>Q1 2015</p>
<p>Recommendation</p> <p>9. Priority focus on co-mingling and fixed odds wagering opportunities</p> <p>Development of IGB information technology environments</p> <p>Develop co-mingling contracts & income streams</p> <p>Conclude negotiations with TV providers</p> <p>Increase size of Tote Pool liquidity</p> <p>Enhancement of archived video footage</p>	<p>Lead</p> <p>Director of Tote (DT)/Executive team</p> <p>DT/Executive team</p> <p>DT/CEO</p> <p>DT/CEO</p> <p>DT/CEO</p>	<p>Date</p> <p>Completed</p> <p>William Hill & other similar agreements secured, contracts ongoing</p> <p>Quarter 4 2014 & ongoing</p> <p>Commenced & ongoing</p> <p>Quarter 2 2015</p>

Recommendation	Lead	Date
<p>10. Further exploration of commercial income at stadia</p> <p>Strategic marketing focus to boost attendance</p> <ul style="list-style-type: none"> - 2015 Marketing plans - Outbound Sales test - Evaluation of F&B model - Sponsorship Strategy Adoption - Marketing resource confirmation - Digital strategy implementation - Ownership & Breeding Programmes - CRM / Loyalty Evaluation 	<p>DCO</p> <p>DCO</p> <p>DCO</p> <p>DCO</p> <p>DCO</p> <p>DCO</p> <p>DCO</p> <p>DCO</p> <p>DCO</p> <p>DCO</p>	<p>Ongoing</p> <p>Q4 2014</p> <p>Q4 2014</p> <p>Q4 2014</p> <p>Q1 2015</p> <p>Q4 2014</p> <p>Q1 2015</p> <p>Q2 2015</p> <p>Q1 2015</p>
<p>Recommendation</p>	<p>Lead</p>	<p>Date</p>
<p>11. Develop a further plan to resolve the pension fund underfunding</p> <p>Proposals to Board</p>	<p>CEO / HR / CFO / DAFM</p>	<p>Q4 2014</p>
<p>Recommendation</p>	<p>Lead</p>	<p>Date</p>
<p>12. The Minister to appoint the members of the statutory independent Greyhound Racing Control Committee and Control Appeal Committee.</p> <p>Committees should have access to scientific and legal expertise</p> <p>Staggered appointments to committees</p>	<p>DAFM</p> <p>DAFM</p>	<p>Subject to DAFM enactment of amending Legislation</p> <p>Subject to DAFM enactment of amending Legislation</p>

Recommendation	Lead	Date
<p>13. Rigorous procedures and processes for regulatory control must be consistently implemented</p> <p>Keep under review protocols in light of control committee decisions</p> <p>Set up a Scientific group to advise on rules relating to doping and medication control</p> <p>Review of Standard Operating Procedures in the areas of Anti-doping and sampling race night operations, Track maintenance, Racetrack security</p> <p>Ensure consistency between protocols</p>	<p>Head of Racing Governance</p> <p>Head of Racing Governance</p> <p>Head of Racing Governance</p> <p>Head of Racing Governance</p>	<p>Commenced & ongoing</p> <p>Quarter 4 2014</p> <p>Quarter 1 2015</p> <p>Commenced & ongoing</p>
<p>Recommendation</p> <p>14. Mandatory penalties including exclusion orders and disqualification orders to be imposed for breaches of regulations</p> <p>Review of potential proposals and industry consultation</p> <p>New Regulatory plan to be launched</p>	<p>Lead</p> <p>Head of Racing Governance</p> <p>Head of Racing Governance</p>	<p>Date</p> <p>Q2 2015</p> <p>Q 4 2014</p>
<p>Recommendation</p> <p>15. Regulations and procedures to be introduced to ensure effective enforcement of penalties</p> <p>New Regulatory Racing Code</p> <ul style="list-style-type: none"> • Draft Statutory Instruments • SOPs complete and available on-line • Anti-doping and medication control – independent review <p>IGB booklet on penalties and procedures</p>	<p>Lead</p> <p>Head of Racing Governance</p> <p>Head of Racing Governance</p> <p>Head of Racing Governance</p> <p>Head of Racing Governance</p>	<p>Date</p> <p>Q1 2015</p> <p>Q 4 2014</p> <p>Q1 2015</p> <p>Q2 2015</p>
<p>Recommendation</p> <p>16. IGB and ICC to independently serve exclusion and disqualification orders</p> <p>Liaising with DAFM on changes required</p>	<p>Lead</p> <p>Head of Racing Governance</p>	<p>Date</p> <p>Subject to enactment of Amending Legislation</p>

Recommendation	Lead	Date
<p>17. Off-track testing for prohibited substances to be implemented To be launched as part of New Testing Framework using 2007 Racing Regulations, Animal Remedies Act 1993 and amendments to secondary legislation</p>	Head of Racing Governance	Q 4 2014
<p>Recommendation 18. Data on the number of tests undertaken, the number of positive tests and the number of adverse findings to be published Publish on website and annual report Options paper presented Resource centre launched on-line Complete regulations department to build into this resource, with various sub sections Publish sampling data, SOPs etc.</p>	Head of Racing Governance	Ongoing for completion by the of 2015
<p>Recommendation</p>	Lead	Date
<p>19. All adverse findings to be published within pre-defined periods subject to rules for adjournments and appeals Standard procedure on publications to be developed</p>	Head of Racing Governance	Q2 2015
<p>Recommendation</p>	Lead	Date
<p>20. Consideration of laboratory testing to be transferred to independent laboratories over time to ensure economies of scale SOPs for sampling to be published to reduce delays and increase efficiency of chain of custody with laboratory Proposals submitted on future of laboratory services</p>	Head of Racing Governance Head of Racing Governance / HR	Q4 2014 Q2 2015

Recommendation	Lead	Date
<p>21. Licence applicants to disclose on an annual basis any information in relation to matters under investigation as part of their licence application</p> <p>Interviews with trainers under application for a licence, attaching conditions to licenses subject to disclosure of information and intelligence gathering on connected parties</p>	<p>Head of Racing Governance</p>	<p>Q4 2014 and ongoing</p>
<p>22. Formal information sharing agreements to take place with enforcement agencies including Customs and Excise and An Garda Síochána</p> <p>Meetings and knowledge sharing with DAFM Special Investigators and various other SGB's: ITC, GBGB, BHA etc.</p> <p>Introduction of reciprocal agreements</p>	<p>Head of Racing Governance Head of Racing Governance</p>	<p>Q4 2014 and ongoing Ongoing</p>
<p>23. Strengthen the sanctions for cruelty to animals</p> <p>Intelligence lead enforcement policy to be developed</p> <p>Increased number of unannounced kennel inspections</p> <p>Authorise welfare committee to make & publish adverse findings of animal cruelty</p> <p>Endorsing licenses for welfare abuses</p> <p>Review allocation resources to welfare inspections</p> <p>Resolve transfer of ownership problem</p> <p>Issuance of fixed penalty and welfare notices under the Welfare of Greyhound Act 2011</p>	<p>Head of Racing Governance</p>	<p>Q4 2014 & ongoing</p>

Recommendation	Lead	Date
<p>24. Additional Support should be provided for rehoming greyhounds Checks on overseas agencies involved in rehoming Increased funding for RGT depending on IGB financial performance</p>	<p>Head of Racing Governance CFO / CEO / Board</p>	<p>Q1 2015 2015</p>
<p>Recommendation</p>	<p>Lead</p>	<p>Date</p>
<p>25. Data on the number of welfare inspections and the penalties imposed should be published Publish results general welfare on new resource centre of IGB website</p>	<p>Head of Racing Governance</p>	<p>Q4 2014</p>
<p>Recommendation</p>	<p>Lead</p>	<p>Date</p>
<p>26. Specific additional breeding incentive For review and discussion with proposed focus group</p>	<p>CFO / CEO / Board</p>	<p>Ongoing</p>

