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REGULATION AND REFORM OF THE
GREYHOUND RACING INDUSTRY

TWS Policy Paper

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PROPOSAL OVERVIEW

This proposal sets out to evaluate the state of the greyhound racing industry in the United Kingdom. This paper does not endorse any form of root and branch reform of the industry's regulatory structures. With the amalgamation of the British Greyhound Racing Board (BGRB) and the National Greyhound Racing Club (NGRC) to form the current regulatory framework of the Greyhound Board of Great Britain (GBGB) in January 2009, the new regulatory framework seems to be showing signs of improvement.

However, this paper does endorse the strengthening of the current rules and regulations, increasing funding for animal welfare and dealing with the principal underlying cause of many healthy greyhounds being unnecessarily destroyed every year, the overbreeding of racing dogs. To counter this, the paper recommends the following set of proposals;

- The immediate priority for policy makers must be to ensure that the remaining 13 flapping tracks in the United Kingdom are brought under British Greyhound Racing Board (GBGB) regulation, if necessary through mechanisms or passing an amendment to the Animal Welfare Act 2006. Whilst flapping tracks are now regulated by the Act, and required to have a vet in attendance at races, the regulation of flapping tracks still remains woefully inadequate, with limited or non-existent regulation over drug testing.
- One of the most noticeable problems in the greyhound racing industry is the lack of information available on racing dogs. The industry needs to produce an open and credible, 'cradle to the grave' database, recording injuries, dogs put down and dogs homed after retirement from racing. This would allow policy makers and regulators alike to see exactly what is happening within the industry itself, measure the success of new policies and increase public awareness of racing as an issue.
- As well as the current registration fee, the Greyhound Board of Great Britain should consider implementing a minimum £100 deposit with the registration of any new dog for racing, to ensure that the owner has an interest in securing the safe retirement of a racing dog at the end of its career. The deposit would be returned no sooner than 6 months after the retirement of a dog, and only upon the presentation of proof that the dog had been successfully rehomed, or placed in a retirement kennels.
- Greater research needs to be done on the prevalence of congenital diseases amongst greyhounds, and whether this is in any part the product of the intensity of inbreeding amongst racing dogs. The Greyhound Board of Great Britain should commission the Royal College of Veterinary Surgeons (RCVS) to conduct more detailed research on this subject.
- As a matter of immediate priority bookmakers must offer more transparency over the proportion of their profits drawn from unclaimed winnings and handling fees on dormant accounts. From this the government should look at developing a framework to divert unclaimed winnings towards animal welfare, regulation and infrastructure for the long term benefit of the industry.
- The British Greyhound Racing Fund (BGRF) should look at equalising the amount spent on prize money with its annual grant to the Retired Greyhounds Trust (RGT). In the past year this would imply an almost 20% increase in RGT funding, a contribution that would make a significant difference to the safe retirement of greyhounds every year, and the day to day operations and man-

agement of the RGT and its kennels.

- Everything possible must be done to ensure the continued impartiality of the BGRF, and that funds are seen to be allocated to where they are needed most. There should be no overlap between board membership of recipient firms, contributing firms, and the board of the BGRF itself.
- Over the coming years the international dynamic to racing will become increasingly important. Serious consideration should be given to the idea of cross border models of regulation. European Union-wide regulation deserves serious consideration in the long run. This could form part of the EU Strategy for the Protection and Welfare of Animals, due for renewal in 2015.
- The United Kingdom and Irish governments and regulatory authorities should consider an immediate moratorium on the export of greyhounds to the People's Republic of China until greater reassurances can be given over animal welfare.

BACKGROUND

2.1 Greyhound racing in the UK

Greyhound Racing is one of the most popular spectator sports in the United Kingdom, attracting over 3 million spectators who wager some £2.5 billion on 70,000 races every year¹. The majority of the industry operates under a system of self-regulation through the Greyhound Board of Great Britain (GBGB), the body that sets and enforces the rules and regulations of racing for some 28 registered stadiums across the country. In addition to this are around a number of unregulated racing tracks, commonly known as 'flapping' tracks, which are subject only to regulation under the statute, in particular the Animal Welfare Act 2006.

Greyhound Racing in its modern form was brought to the United Kingdom by Owen Patrick Smith, commonly described as the 'father' of the modern sport for devising the first mechanical lure (hare) and circular track in the United States in 1925. Alongside the businessmen Charles Munn, Smith founded the Greyhound Racing Association (GRA), building the first purpose built greyhound racing stadium in the UK at Belle Vue, Manchester in 1926².

Over the coming years attendances at races would boom, as would the number of tracks across the country and the money wagered on races each year. Recent decades have seen the sport move further towards professionalism, to secure the integrity of the sport and to recognise increasing public concern for animal welfare.

2.2 Retirement and rehoming

The Retired Greyhound Trust (RGT), founded by the National Greyhound Racing Club in 1974, is the primary re-homing organisation for retired racing greyhounds in the United Kingdom. There remains a tremendous amount of good will towards greyhound welfare and their supporters, with the RGT depending in part on voluntary contributions from the public to do its work. Major tracks, including

¹ British Greyhound Racing Board, *History of Greyhound Racing*, <http://www.gbgb.org.uk/>

² *ibid.*

Harlow and Romford host charity nights, with all proceeds supporting the safe retirement of dogs. Tracks are increasingly taking responsibility for re-homing a high proportion of the dogs that race with them.

2.3 Issues

The industry has traditionally operated under a model of self-regulation. This has, to a broad extent, secured a good standard of animal welfare within the industry when compared with other countries. Equally though, there are issues with welfare that still need to be addressed, and more can be done.

One of the key issues is the re-homing of retired racing dogs. According to 2009 figures it costs the Retired Greyhound Trust an average of over £800 to re-home each racing dog on its books³. In order to ensure the safe re-homing of the 10,000 greyhounds presently running on tracks, a budget of some £8 million would be needed if the industry were to seriously address the issue of re-homing the number of dogs it produces, a figure far in excess of the current RGT grant from the British Greyhound Racing Fund (BGRF).

This is then an industry that operates with profit as its primary concern. Dogs are bred intensely for good racing nature, and sold and traded as commodities across borders, in particular between the United Kingdom and Ireland. A racing greyhound is both a living thing and a financial investment that plays an important role in a number of British communities.

Clearly there are at least regulations to secure this already. Indeed, NGRC Rule 18 states '*that the owner is responsible for the welfare of the greyhound at the end of its racing career*'. What is clear then is that there are already the necessary statutes and rules to hold trainers and owners accountable for animal welfare. The issue here is one of enforcement, and funding for enforcement.

A watershed moment for the industry came in 2006, following a Sunday Times investigation into David Smith, a builders' merchant from Seaham, Co. Durham. For over 15 years Mr. Smith, had been destroying healthy greyhounds no longer considered by their trainers to be fast enough to race, with the remains of an estimated 10,000 dogs found on his one acre property. Following an RSPCA and police investigation it was decided there wasn't enough evidence to prosecute the Seaham case on animal welfare legislation.

Following a six-month investigation, the Environment Agency eventually pursued a private prosecution under waste disposal regulations, and Mr. Smith was ordered to pay £2000 in costs⁴. It is generally accepted within the industry that the scale of Mr. Smith's actions went unpunished. The case though led to renewed scrutiny of the racing industry, and its regulatory structures, culminating with the amalgamation of the British Greyhound Racing Board (BGRB) and the National Greyhound Racing Club (NGRC) to form the current regulatory framework of the Greyhound Broad of Great Britain (GBGB) in January 2009

³ Retired Greyhound Trust, Trustees Report and Accounts, 2010, p2.

⁴ BBC News, *Man fined over greyhound deaths*, 16th March 2007, <http://news.bbc.co.uk/1/hi/england/wear/6457185.stm>

PROPOSALS

3.1 Unregulated tracks

The immediate priority for policy makers must be to ensure that the remaining 13 flapping tracks in the United Kingdom are brought under British Greyhound Racing Board (GBGB) regulation. Whilst tracks such as Armadale Stadium, and Highgate Stadium are now required to have a vet in attendance, the regulation of flapping tracks still remains woefully inadequate, with limited or non-existent regulation over animal welfare or drug testing.

These tracks are far from a statistical insignificance within the industry. Whilst the GBGB, to its great credit, does not allow any dog racing on these independent, 'flapping' tracks to race on its own regulated tracks, there are a number of cases of dogs in the past 12 months being raced in both the regulated and unregulated sector, contravening GBGB rules. This has the potential to risk the long term integrity of the regulated sector, especially over the use of performance enhancing drugs, and illegal substances on racing dogs⁵.

Flapping tracks not only compromise the integrity of the regulated sector, they also risk the health and welfare of racing dogs. A unified approach to greyhound racing in the UK will ensure an industry with greater standards of integrity, animal welfare and public confidence. Perhaps even more importantly this would help rehoming organisations like the Retired Greyhound Trust better coordinate their work, and place a greater responsibility on currently unregulated tracks to retire racing dogs in an appropriate manner.

3.2 A 'cradle to the grave' database.

One of the most noticeable problems in the greyhound racing industry is the lack of information available on racing dogs. The industry needs to produce an open and credible, 'cradle to the grave' database recording injuries, dogs put down and dogs homed after retirement from racing.

This would allow policy makers and regulators alike to see exactly what is happening within the industry itself, measure the success of new policies and increase public awareness of racing as an issue. The industry already tracks breeding records through the website www.greyhound-data.com, which demonstrates regulating and recording the industry is far from an impossible task. The not for profit website has successfully constructed a database of more than 1.5 million greyhounds worldwide in less than a decade.

A cradle to the grave database, tracking injuries, ownership and the status of registered racing dogs is a fully feasible and affordable idea. The transfer from earmarking registration to micro chipping would make the implementation of this database far easier than it would have been in the past.

⁵ British Eurosport, *Greyhound trainer 'gave his dogs Viagra'*, 13th July 2011 <http://uk.eurosport.yahoo.com/blogs/world-of-sport/article/59361/>

3.3 Racing injuries

The Greyhound Board of Great Britain must also do more to collect and make available for public consumption a full record of injury data within the industry. A more transparent approach to racing injuries would allow for comparisons to be made of the number of injuries at different tracks, and different surfaces, allowing the industry to over time identify forms of best practice in dog racing.

3.4 Registration deposit

As well as the current registration fee, the Greyhound Board of Great Britain should consider implementing a minimum £100 deposit with the registration of any new dog for racing, to ensure that the owner has a long term interest in securing the safe retirement of a racing dog at the end of its career.

The deposit would be returned no sooner than 6 months after the retirement of a dog, and only upon the presentation of proof that the dog had been successfully rehomed, or placed in a retirement kennels. This kind of proposal has been criticised in the past for punishing independent trainers, potentially pushing them out of the regulated industry altogether. Setting a deposit at a relatively low level of £100 should though be affordable for most dog owners and trainers, whilst still providing a financial incentive to secure the safe retirement and rehoming of a racing dog.

In 2000, the then regulatory body the NGRC introduced a deregistering scheme for retired dogs in the industry, requiring owners to inform them when a greyhound has officially retired from racing, giving notification of the new owners address and its permanent home. A deposit would provide the necessary financial incentive to encourage owners to take a more proactive approach to the safe retirement of racing dogs.

3.5 Dealing with overbreeding and inbreeding

One of the key concerns discussed in the 2007 APGAW report was that of overbreeding in the industry⁶. The report estimated that some 1500 to 3000 British born dogs never end up racing on a regulated track. Given that 75% of racing dogs in the United Kingdom originate from Ireland, the report speculates then that 'There will be a much higher number of puppies who never make it to the track in Ireland'. Reducing the number of puppies bred each year then should be a continued priority to secure the long term sustainability of the industry, as well as animal welfare.

Whilst EU regulations may prevent restrictions on breeding⁷, this by no means suggests that the industry should abandon all responsibility for the number of dogs breed each year. An increased registration fee and registration deposit may help with this, encouraging trainers to pay greater attention to the quality, not just the quantity of the dogs they breed. Certain breeding lines have greater propensity for injuries, or longevity in racing, so with a more considered approach to breeding we may be able to incentivise longer racing careers for the dogs themselves. Furthermore, the government should use its influence in Europe to argue for a substantial reduction in European Union grants, used to subsidise the breeding of racing dogs in the Republic of Ireland, to help curtail the surplus of dogs bred each year.

⁶ The Associate Parliamentary Group for Animal Welfare, *The Welfare of Greyhounds*, May 2007, p2.

⁷ *ibid.*

Greater research needs to be done on the prevalence of congenital diseases amongst greyhounds, and whether this is in any part the product of the intensity of inbreeding in the industry. The British Greyhound Racing Board should commission the Royal College of Veterinary Surgeons (RCVS) to conduct more detailed research on this subject. In the long term the RCVS should consider introducing a greyhound specialism for the veterinary profession, in recognition of the risk of incorrect diagnosis and treatment given the unique anatomy and physiology of greyhounds as a breed.

3.6 Releasing funds from unclaimed winnings and dormant betting accounts

One of the principal difficulties of enforcing the already existing regulations and guaranteeing high standards of animal welfare remains funding. One of the core funding mechanisms for funding animal welfare has been the British Greyhound Funding Board (BGFB) allocation of voluntary contributions from bookmakers in the United Kingdom. Whilst this average 0.6% contribution of turnover amounts to several million pounds every year, it is apparent that greater funding would be useful to secure more effective regulation and long term animal welfare.

As a matter of principle though, the taxpayer should not have to take on the burden of increased funding for welfare. With spending at the Department for Culture, Media and Sport being cut by 25% over the course of the next 4 years under the 2010 Comprehensive Spending Review, it is unreasonable to expect this burden to be placed on the public purse.

One alternative would be to make the currently voluntary contribution a compulsory one, compelling contributions from the few major firms who do not contribute towards the British Greyhound Funding Board. However, the 2007 APGAW report concluded that whilst it would be desirable to introduce a compulsory levy on bookmakers, it would be '*contrary to European Law*' on competition⁸. Assuming this to be the case, there are some alternative methods of increasing funding drawn from bookmakers.

For example the Coalition Agreement in May 2010 pledged to investigate how dormant betting accounts and unclaimed winnings could be used to fund grassroots sport in the United Kingdom. Don Foster, the Liberal Democrat MP for Bath was commissioned to research this and produced his report on this in December 2010, later published in September 2011. Unfortunately the report was largely unable to find detailed figures on unclaimed winnings within the industry, with firms refusing to provide data 'either on the grounds of commercial confidence or because they claim to be unable to produce the figures'⁹.

In lieu of these figures, Foster instead uses estimates drawn from the National Lottery, where unclaimed winnings amounting to 1.5% of sales in 2008-2009, a figure exceeding £78.2 million. This implies then that the amount of unclaimed winnings within the betting industry on dog racing may amount to £37.5 million per annum, drawn from a source that should not form part of a responsible business's operating profits.

Even at a more conservative estimate, this figure would adequately secure the welfare of greyhounds within the industry several times over, with millions of pounds available to redevelop racing infrastructure to secure the long term future of the racing industry, as well as those who work within it. This would also adequately cover the regulation of the remaining flapping tracks in the United Kingdom, drawing them under GBGB regulation.

⁸ *ibid.*, p.9

⁹ Don Foster MP, *The use of dormant betting accounts and unclaimed winnings*, December 2010, p.4

As a matter of immediate priority then, bookmakers must offer more transparency over the proportion of their profits drawn from unclaimed winnings and handling fees on dormant accounts. From there the government should look at developing a framework divert unclaimed winnings towards animal welfare, regulation and infrastructure for the long term benefit of the industry.

The United Kingdom would not be unique in pursuing this model. In Hong Kong, horse race winnings unclaimed after 60 days are donated to the country's Jockey Charity Trust, which according to Mr. Foster raised HK\$51million in 2009-2010, a figure amounting to £4.1 million. With the cooperation of the industry then this is a clearly feasible policy that deserves greater investigation over the coming months.

3.7 The British Greyhound Funding Board

The British Greyhound Racing Fund (BGRF) are the industry body responsible for collecting the annual levy paid by bookmakers, as well as allocating these funds to every aspect of greyhound racing in the United Kingdom. In the year ending March 2011, the BGRF received some £7.8 million in grants from bookmakers¹⁰. Of this, some £1.5 million was granted to the principal rehoming charity the Retired Greyhounds Trust, with a further £1.3 million granted to support what the report describes as 'welfare-related issues' including veterinary care and track safety, amounting to 36% of BGRF expenditure over the past 12 months.

However the same report also boasts of £2 million of expenditure on prize money over the same period. Whilst the sport's popularity and long term success in part depends on there being an incentive for a competitive industry, it is questionable why this should be the largest single expenditure head for the BGRF. Similarly, the £1 million spent on marketing the industry also appears excessive when the industry seems to be thriving even in a difficult economic climate.

There is clearly more than adequate financial and sporting incentive to keep the industry competitive in the UK, a fact demonstrated by the thousands of dogs being bred surplus to industry requirements every year. At the very least, the BGRF should look at equalising the amount spent on prize money with its annual grant to the Retired Greyhounds Trust, and not at the expense of other 'welfare-related issues'.

In the past year this would imply an almost 20% increase in RGT funding, a contribution that would make a significant difference to the retirement of greyhounds every year, and the day to day operations and management of the RGT and its kennels. Again, it is important to acknowledge the steady increase of the percentage of BGRF funds spend on welfare over the past decade, but equally, more clearly can and should be done.

Concerns also need to be raised with regard to the allocation of BGRF spending on track improvements each year. For example William Hill, one of the contributing firms, were awarded £209,209 in the form of a grant to improve two of their stadia last year, with Ladbrokes awarded a further £181,300 to improve two of theirs.

There are further complications when we consider that a number of directors of the BGRF, both past and present, also sit on the boards of recipient firms, including Ladbrokes and William Hill. Needless to say there needs to be an appropriate level of expertise on the board to allocate funding within the industry, and this report does not in any way question the integrity of any of those on the board, or for

¹⁰ British Greyhound Racing Fund, BGRF Report 2010-2011, p.3

that matter the board itself. Indeed we fully acknowledge the statement in last year's report that 'It is the company's policy that the directors concerned take no part in the awarding of racecourse improvement grants'¹¹.

However it is absurd that a grant given to the funding board, by bookmakers as an act of goodwill, is then partially spent to improve stadia owned by the contributing companies in the first place. Regardless of the motivations of these board members, everything possible must be done to ensure the impartiality of the BGRF, and that funds are seen to be allocated to where they are needed most. There should be no overlap between board membership of recipient firms, contributing firms, or the board of the BGRF itself to help ensure this is the case.

3.8 Reform of races and race practice

The industry should continue to follow up on the 2007 APGAW proposals by improving racing surfaces to reduce injuries to dogs racing in the industry each year. This approach, integrated with a database recording greyhound injuries would make a real difference in supporting the longevity of dogs. Similarly the number of veteran races should continue to increase after their successful trial in recent years.

The BGRF should target prize money to support veterans racing at tracks, and other events that increase the racing life of the greyhound and the long term sustainability of the industry. Prize funds, where they are allocated by the BGRF should also offer some reward to all runners, not just race winners, to reduce variance in prize money for owners and trainers.

3.9 Developing a framework for international regulation

Greyhound racing is already an industry that works across borders, something clearly demonstrated in the long established relationship between greyhound racing in the Republic of Ireland and the United Kingdom. Over the coming years this international dynamic to racing will become more important and serious consideration should be given to the idea of cross border models of regulation, to secure a high standard of racing integrity and animal welfare in the mainstream industry across borders.

The most obvious level for this to operate at is the European Union. The European Commission has already taken some responsibility for regulation of animal welfare e.g. the banning of cosmetics testing on animals. In the long run this could form part of the EU Strategy for the Protection and Welfare of Animals, due for renewal in 2015. By then we should have a stronger idea of the success of the newly invigorated British model of self-regulation under the GBGB since 2009, and if appropriate discussions can be opened for a new level of European regulation. Given the concerns expressed about the welfare of racing dogs in a number of European countries, in particular Spain and Italy, Europe-wide regulation would seem a particularly appropriate model to work with.

3.10 Export of greyhounds to China and India

The United Kingdom and Irish governments' should consider an immediate moratorium on the export of Greyhounds to the People's Republic of China until greater reassurances can be given over animal

¹¹ *ibid.*, p.18

welfare, including the establishment of a regulatory framework for the racing industry in China. This follows apparent interest from the Bord Na gCon (Irish Greyhound Board) in sending Irish dogs to the China to develop the industry there earlier this year¹². An idea that has apparently been rejected since then, following criticisms from welfare groups and the Irish government. This report warmly welcomes the fact that this idea has now been rejected as part of the development strategy for the industry in Ireland¹³.

Whilst these new markets represent a major opportunity for the industry to expand into developing world with a growing middle class with disposable income, clearly there needs to be a credible framework to ensure we're not just exporting responsibility for racing dogs at the expense of their welfare. A similar policy approach should also be considered with regard to India and other emerging markets for the industry in the coming years.

CONCLUSIONS

Whilst there is a tremendous amount of good will and progress within the industry on the issue of animal welfare, more needs to be done to ensure that regulation is enforced and appropriately funded. This paper has outlined ways in which to increase and better distribute industry funding, and proposals to access new sources of funding for welfare and regulation that could be implemented without any significant burden on the taxpayer. The most immediate priority for policy makers though should be the regulation of flapping tracks. By doing this we can secure the long term integrity of the regulated sector, and take further steps towards a unified and successful racing industry in the United Kingdom.

¹² The Dogs Trust, Greyhound Racing In China, March 2011, <http://www.dogstrust.org.uk/mediacentre/newsreleases/pr11igbchina.aspx>

¹³ *ibid.*