

Summary: Intervention & Options

Department /Agency: Defra	Title: Impact Assessment of Regulations to promote the welfare of racing greyhounds	
Stage: Final Stage	Version: 1	Date: 1 December 2009
Related Publications: Consultation on proposals for welfare of racing greyhounds regulations http://www.defra.gov.uk/corporate/consult/greyhound-welfare/index.htm		

Available to view or download at:

<http://www.defra.gov.uk/corporate/consult/foodfarming.htm>

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What is the problem under consideration? Why is government intervention necessary?

There have been increasing concerns over the welfare of racing greyhounds. These concerns involve the welfare conditions at some racetracks as well as the lack of traceability of greyhounds after they have finished racing. The Government announced its intention to introduce legislation to improve the welfare of racing greyhounds during the passage through Parliament of the Animal Welfare Bill in 2006.

What are the policy objectives and the intended effects?

The objective of these regulations is to improve the welfare of racing greyhounds by establishing a set of minimum welfare standards for all greyhound racing tracks in England and to improve the traceability of greyhounds after their racing life has finished. The effect is to introduce arrangements that apply to all greyhound tracks but take full account of the Greyhound Board of Great Britain's (GBGB) measures to establish a self-regulatory system within the greyhound industry that has been accredited by the United Kingdom Accreditation Service (UKAS). A secondary effect is expected to be increased public confidence that these standards are being maintained. The improved perception of greyhound racing as a welfare friendly sport should also in turn benefit racing as a leisure industry.

What policy options have been considered? Please justify any preferred option.

Five options were considered: (1) do nothing, (2) non-regulatory industry agreements, (3) regulatory minimum requirements, (4) regulation including licensing and (5) create a new regulatory body. Our chosen option is for a licensing scheme for greyhound racing tracks that provides the possibility of exemption from licensing for greyhound tracks that are already inspected by a body to the standards set out in these proposals and has UKAS accreditation in respect of the enforcement of these standards. This assessment provides estimated costs for our chosen option, option (4), as well as estimated costs for options (2) and (3), as they were expected to deliver the required welfare standards without creating a significant new burden on greyhound racing.

When will the policy be reviewed to establish the actual costs and benefits and the achievement of the desired effects? The policy will be reviewed in 5 years from the commencement of the regulations - April 2015.

Ministerial Sign-off For final proposal/implementation stage Impact Assessments:

I have read the Impact Assessment and I am satisfied that (a) it represents a fair and reasonable view of the expected costs, benefits and impact of the policy and, (b) the benefits justify the costs.

Signed by the responsible Minister:

Jim Fitzpatrick

..... Date: 9 December 2009

Summary: Analysis & Evidence

Policy Option: 4

Description: Licensing Scheme

COSTS	ANNUAL COSTS		Description and scale of key monetised costs by 'main affected groups' Industry Cost to independent tracks (i) arranging vet presence at race meetings and trials [£96k annual cost]; (ii) constructing kennelling and facilities for vet to treat animals [£57k one-off, applicable in equal amounts in 2010 and 2011]; (iii) scanning equipment [£5k one-off] ; admin burden and license fee [£1,100 - £1,300 annual cost for the first three years] Dog owners (i) Cost to dog owners of earmarking and microchipping racing dogs [£167k one-off; £71k annual cost from year two].
	One-off (Transition)	Yrs	
	£ 228k	1	
	Average Annual Cost (excluding one-off)		
£ 154k ¹	5	Total Cost (PV)	£ 915k
Other key non-monetised costs by 'main affected groups' Potential impact on ticketing prices to race-goers			

BENEFITS	ANNUAL BENEFITS		Description and scale of key monetised benefits by 'main affected groups' (Benefits have not been monetised) Animal welfare benefit on independent tracks from i) prompt on-site treatment of injured dogs [650 dogs p.a. 80% of these would receive no veterinary treatment under current conditions]; (ii) immediate pain relief or euthanasia for severely injured dogs [60 dogs per year]. See paragraphs 7.25 to 7.40 for further discussion: benefits are the same as other options, but are more likely to be realised under this option as level of compliance expected to be higher.
	One-off	Yrs	
	£ 0		
	Average Annual Benefit (excluding one-off)		
£ 0		Total Benefit (PV)	£
Other key non-monetised benefits by 'main affected groups' Animal welfare benefit from provision of adequate kennelling (less susceptibility to heat/cold) Improved traceability of retired greyhounds Improved perception of the sport through having clear enforced welfare standards in place			

Key Assumptions/Sensitivities/Risks 5 year period of analysis to match the policy review period. Various assumptions used to generate cost and benefit estimates – see evidence base for details.

Price Base Year 2009	Time Period Years 5	Net Benefit Range (NPV) £ -915k	NET BENEFIT (NPV Best estimate) £ -915k
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What is the geographic coverage of the policy/option?		England	
On what date will the policy be implemented?		6 April 2010	
Which organisation(s) will enforce the policy?		Local Authorities	
What is the total annual cost of enforcement for these organisations?		No additional new costs	
Does enforcement comply with Hampton principles?		Yes	
Will implementation go beyond minimum EU requirements?		N/A	
What is the value of the proposed offsetting measure per year?		£N/A	
What is the value of changes in greenhouse gas emissions?		£ Negligible	
Will the proposal have a significant impact on competition?		No	
Annual cost (£-£) per organisation (excluding one-off)	Micro £10-20 ²	Small £200-£25k ³	Medium Large
Are any of these organisations exempt?	No	No	N/A N/A

Impact on Admin Burdens Baseline (2005 Prices)		(Increase - Decrease)
Increase of £ 300	Decrease of £	Net Impact £ 300

Key: Annual costs and benefits: Constant Prices (Net) Present Value

¹ £97k in year 1; £168k in years 2, 3, 4 and 5

² Annual cost per dog owner; assuming each dog owner has one new racing dog a year. This varies across owners depending on whether the dog is racing on independent or GBGB tracks.

³ Annual cost per independent track; this varies across tracks depending on the baseline vet presence at meets and trials

Evidence Base (for summary sheets)

Summary

1.1 There have been increasing concerns over the welfare standards that apply in the activity of greyhound racing. During the passage of the Animal Welfare Bill through parliament the Government gave a commitment to introduce new regulations to promote the welfare of racing greyhounds. They are currently approximately 33 greyhound-racing tracks in England. Twenty seven tracks are regulated by the main industry body, the Greyhound Board of Great Britain (GBGB). The remaining 6 or so tracks in England are referred to as “independents”. Recent years have seen a steady decline in the number of greyhound racing tracks in England. Tracks belonging to the main industry regulator and independent tracks have both closed, the most recent being the GBGB affiliated Hull Stadium, which closed in late June 2009.

1.2 We did consider five options for introducing a set of minimum welfare standards for greyhound racing. We considered the options of (1) ‘do nothing’ and (2) ‘introduce non-regulatory agreements’. However, while both options would not introduce any new regulatory burdens on greyhound tracks we did not believe that these options would ensure minimum welfare standards were adhered to across the industry. We have produced only an analysis of the non-regulatory agreements option. We also considered the option of introducing a new regulatory board to enforce standards (option 5). While this option would ensure that standards were enforced, we felt this option would be a disproportionate solution to the welfare problems in the industry as well as being contrary to one of the recommendations of the Hampton Report that government should seek to reduce the number of regulatory bodies. The two other options considered were to (3) create regulatory minimum requirements (i.e. create specific offences to ensure standards) and (4) introduce a licensing scheme to ensure standards. A detailed assessment of both these options have been included in this Impact Assessment. A summary of the costs of the three main options is provided here. The costs of options 2 and 3 are the same and have been listed together.

Summary: Costs

	Cost type	Options 2 & 3	Option 4
One off costs			
To industry	Veterinary facilities (see section 7.16)	£1,800	£1,800
	Kennelling (7.17 – 7.18)	£54,700	£54,700
	Scanning equipment - GBGB tracks (7.21)	£3,800	£3,800
	Scanning equipment - Independent tracks (7.21)	£900	£900
To dog owners	Earmarking (independent track only dogs) (7.24)	£0	£0
	Dog microchipping - GBGB dogs (7.20)	£153,000	£153,000
	Dog microchipping - Independent track only dogs (7.23)	£13,700	£13,700
	Total	£227,900	£227,900

Maximum annual costs

To industry	Veterinary presence at all race meetings – Independent (see sections 7.10 – 7.11)	£45,000	£45,000
	Veterinary presence at all race trials – Independent (7.12 – 7.13)	£50,100	£50,100
	Veterinary presence at all sales trials – Independent (7.14 – 7.15)	£1,200	£1,200
	Record keeping (7.19)	0	0
	Annual licensing fee – range (7.60)	N/A	£750 - £930
	Admin burden – licensing (7.62)	N/A	£100
	Admin burden – enforcement (7.61)	N/A	£200

To dog owners	Earmarking (independent track only dogs) (7.20)	£4,000	£4,000
	Dog microchipping - GBGB dogs (7.23)	£63,800	£63,800
	Dog microchipping - Independent track only dogs (7.23)	£3,400	£3,400
	Total	£167,400	£168,600 - £168,700

1.3 The difference in the cost of the three options is minimal. Therefore, the decision as to which is our preferred option rested on which option we regarded as the most effective in delivering the desired standards. We consider that the most effective of these three options is the introduction of a licensing scheme, option 4. However, we believe that any track that belongs to a body that already requires the same minimum standards as set out in these regulations and that has United Kingdom Accreditation Service (UKAS) accreditation should be exempt from the licensing requirement.

1.4 Having considered the competition assessment tests, these proposals will not have any significant impact on competition between suppliers and any impact on consumers is also likely to be minimal.

2. Background

2.1 Greyhound racing has existed in Britain on a commercial basis since 1926. Concerns over the welfare of racing greyhounds have become increasingly high profile in recent years. There is a concern about standards that apply at some tracks and also what happens to greyhounds after they finish racing. In the light of these concerns – both on and off the track - the Government made a firm commitment when the Animal Welfare Bill was introduced in Parliament to bring in secondary legislation to regulate the welfare of racing greyhounds.⁴

2.2 Ministers have subsequently given an undertaking that the secondary legislation will set minimum standards. The legislation will seek to: improve the traceability of racing greyhounds after the end of their racing lives; make it compulsory for a veterinarian to be present at all race meetings and trials and to provide suitable facilities for the veterinarian; require the maintenance of suitable injury records for racing greyhounds; and oblige tracks to provide adequate ventilated kennelling for dogs. Defra will also produce guidance which will support the regulations.

3. Nature of the Problem

3.1 In England there are approximately 33 greyhound racing tracks. The new Greyhound Board of Great Britain (GBGB), which has taken on the regulatory duties of the National Greyhound Racing Club (NGRC), oversees the welfare standards of 27 of these tracks. The remaining 6 or so tracks are independent of the GBGB. These are often referred to as 'Independents'.

3.2 There is concern, endorsed by many in the industry as well as welfare organisations, that too many dogs are unaccounted for when judged no longer suitable for racing. During the summer of 2006, the Sunday Times ran two major news stories on racing greyhounds. The thrust of the articles was that many racing greyhounds are killed at the end of their racing careers. There were also allegations that the dogs were being destroyed in an inhumane manner (although no prosecutions for cruelty to greyhounds were ever brought as a result of the story). The NGRC - the then main regulator for the sport – investigated the allegations and this led to 2 trainers being expelled from NGRC racing for breaching NGRC rules relating to the welfare of retired greyhounds (NGRC's rules prohibited the destruction of a greyhound by anyone other than a veterinary surgeon). The story also led to the Associate Parliamentary

⁴ Hansard 23 October 2006 Column 1034

Group for Animal Welfare (APGAW) setting up an inquiry into the welfare implications of greyhound racing.

3.3 The scale of the problem is difficult to assess as there are no accurate figures for the number of greyhounds which leave the sport and what happens to them afterwards. The GBGB is expecting to register approximately 8,500 new greyhounds into licensed racing during 2009. Prior to the establishment of GBGB, the NGRC registered circa 9,000 per annum, although this number itself fell significantly in the last five years due to recent track closures as well as fewer dogs being retired through injury. The main organisation which the GBGB works with to rehome retired racing greyhounds (the Retired Greyhound Trust) has rehomed nearly 40,000 dogs since 1975⁵ and in 2007 approximately 4500 dogs were rehomed⁶. Undoubtedly some of the difference is made up of dogs for whom other acceptable retired provisions are made (the GBGB estimates that a further 3000 dogs are rehomed by other charities as well as directly by dogs owners and trainers) but the perception remains that a large number are not properly cared for on retirement.

3.4 In its report into the welfare of greyhounds, APGAW estimated that the total average number of greyhounds racing on both NGRC and Independent tracks in Great Britain was approximately 14,000. Further, APGAW calculated that a minimum of 4,728 dogs each year in Great Britain were unaccounted for after their racing lives had finished⁷. While the APGAW report did admit that all estimates could only be regarded as conjecture due to the gaps in the industry's own records, it is important to recognise that there are an unacceptably high number of dogs which are effectively untraceable at the end of their useful racing lives.

3.5 In addition, other than the cruelty and welfare offences contained in the Animal Welfare Act 2006, at the track there are no specific minimum animal welfare standards for racing greyhounds.

3.6 Evidence suggests that the welfare standards adhered to at GBGB tracks more than meet the provisions of the Animal Welfare Act 2006. However, the welfare standards that apply at independent tracks vary greatly, and it is likely that only a minority of tracks have standards that are consistent with the requirements of the 2006 Act or the minimum welfare standards at GBGB tracks⁸.

3.7 Concern has been expressed by some welfare organisations about the short racing life of dogs. They consider that the level of injuries suffered by dogs is too high. The APGAW report noted that from figures provided by the then British Greyhound Racing Board (BGRB) that from six months of data from the middle of 2006 (comprising 123,000 trials and races) there was a percentage incidence of injury of 0.45 % of which the relative figure for hock and wrist injuries was 0.23 %. However, APGAW went on to point out these figures were for serious injuries (injuries that result in the dog being unable to race for more than 6 weeks). They believe that most injuries that occur during racing are unrecorded minor injuries.⁹ The NGRC estimated that on average, two dogs per meeting require treatment on site for injuries. These injuries vary from minor skin trauma to fracture requiring fixation.

3.8 The presence of a veterinary surgeon at all race meetings and trials is seen as crucial. GBGB tracks are already required to have a veterinary surgeon present at all race meetings and trials but there is no such requirement on independent tracks – some do have a veterinary surgeon present, some will have a veterinary surgeon on call while some make no such provision.

3.9 In 2006, the BGRB and the Greyhound Forum jointly funded a survey of Independent Greyhound Racing Tracks in England, Scotland and Wales. The survey was undertaken in

⁵ Retired Greyhound Trust website

⁶ British Greyhound Racing Fund Annual Report 2007

⁷ *The Welfare of Greyhounds – Report of the APGAW inquiry into the welfare issues surrounding racing greyhounds in England. May 2007 Section B. 1 Number of Greyhounds involved in the Industry*

⁸ *Independent Review of the Greyhound Industry in Great Britain – A Report by Lord Donoghue of Ashton Chapter 12 Independent Greyhound Racing Tracks*

⁹ APGAW 2007 Section B. 3.6 Publication of Injury data

March 2006 and involved 15 of the then 18 Independent Tracks in existence. The survey found that only 5 of the tracks at the time employed a veterinary surgeon during race meetings. A further 10 provided veterinary support 'on call'. Only 6 of the tracks provided kennelling facilities (with 5 of those having some sort of air management system in the kennels in place) and only 2 tracks maintained injury statistics.¹⁰

3.10 Of the 18 Independent tracks in 2006 – 10 were based in England. To the best of our knowledge – as of October 2009 – only 6 independent tracks still race full time in England.

4. Progress by the Industry

4.1 The NGRC - the previous industry body responsible for policing welfare standards - was not seen as always being as effective as it should have been. The Government has previously set out its position on the type of reforms that the NGRC needed to make if it was to continue to regulate the tracks that fell under its aegis. The NGRC must -

- have a more up-to-date name
- appoint more stipendiary stewards¹¹
- obtain UKAS (the United Kingdom Accreditation Service) accreditation

In addition the BGRB must significantly increase the funding it provided for welfare.¹²

4.2 In response to the Government's call for reform, Lord Donoughue - a former Agriculture minister - was asked by the BGRB and the NGRC to chair an independent Review into the regulation of greyhound racing. His report was published in November 2007 and made the case that – for those tracks which are currently under the aegis of the NGRC – there should be continued self regulation. However, this could only be as part of a much wider reform of the industry, including the replacement of the BGRB and the NGRC with one new overall body in charge of the industry – the Greyhound Board of Great Britain (GBGB)¹³.

4.3 Before becoming part of the GBGB, the NGRC employed seven stipendiary stewards¹⁴. It was the view of the NGRC – stated in the Donoughue Report - that 12 stipendiary stewards were required. The Donoughue report recommended that – if the case for twelve stipendiary was correct – then the recruitment of the extra five stewards should be seen as a priority for the GBGB. The GBGB is currently reviewing the functions of its stipendiary steward field force.

4.4 The Government has made it clear that – whatever form the new body took – it would need to have UKAS accreditation to be acceptable as a regulator of welfare standards. The GBGB is currently working towards achieving UKAS accreditation which should be in place before these regulations come into force. UKAS is the sole national accreditation body recognised by government to assess against internationally agreed standards, organisations that provide certification services. Accreditation by UKAS will ensure that an independent body – recognised by government – has verified that the GBGB is a transparent and auditable regulator of its own welfare standards. To achieve UKAS accreditation the GBGB will have to have in place specified meaningful standards, auditable procedures to ensure that these standards are maintained, penalties for non compliance and an appeals process.

4.5 The level of financial support given to welfare by the regulated side of the industry has also significantly increased. In 2007, the British Greyhound Racing Fund allocated £3.78m towards welfare (compared to £2.9m in 2006, £2.66m in 2005, £2.01m in 2004 and £0.92m in 2003)¹⁵.

4.6 However, the independent tracks are not involved in this reform process and – as mentioned previously - welfare standards at these tracks vary considerably.

¹⁰ *Survey of Independent Greyhound Racing Tracks 2006*

¹¹ At that time the NGRC employed 6 stipendiary stewards – Source *NGRC Overview of Activities of The National Greyhound Racing Club*

¹² *Hansard 6 November 2006 Column 614*

¹³ *Independent Review of the Greyhound Industry in Great Britain – A Report by Lord Donoughue of Ashton*

¹⁴ NGRC website

¹⁵ British Greyhound Racing Fund Annual Report 2007

5. Regulations proposed

5.1 Regulations are therefore necessary to ensure that there is a minimum welfare standard in place which applies to all the industry. To ensure that this minimum standard is enforced, it is necessary not only to have regulations in place but also to give to local authorities the responsibility for ensuring that standards are being complied with at independent tracks. We are satisfied that the GBGB will enforce welfare standards that at least match the minimum standards we wish to see and should they gain UKAS accreditation we can be confident that it will be a reliable regulator of those welfare standards at GBGB tracks.

5.2 Some independent tracks already maintain standards that are not far from those that exist in the regulated sector. Although we do not expect any independent tracks to close as a direct result of regulations it is possible that a small number of tracks may leave the sport altogether as they are already considering their future. This may result in their closure when regulations come into force. Nevertheless, we consider that regulations are justified as the lack of minimum standards that currently apply are unacceptable.

6. Consultation

6.1 A full public consultation on the draft Welfare of Racing Greyhound Regulations 2010 took place between 30 April and 22 July 2009. The consultation was preceded by formal engagement by Defra with key stakeholders (including representatives of the industry and welfare groups) through a series of working groups and meetings held between 2005 and 2008.

6.2 The public consultation aimed to seek interested parties' views on the regulations as well as the costs and benefits that the proposed changes would impose on greyhound racing and greyhound racing tracks.

6.3 Only approximately 5% of respondents who submitted responses to the consultation addressed the questions posed on the costs and benefits set out in the consultation stage Impact Assessment. Of those respondents who did address these questions, a majority felt that the costs provided were overstated while the benefits were understated. However, very few of these responses adequately spelt out why the costs and benefits were incorrect, or provided any alternative costs or benefits. The exception to this was on the costs of building new kennel blocks. A range of suggested costs were provided for the cost of building kennels. The range of costs proposed varied from between £750,000 for 100 kennels to be built to the standards proposed to £50,000 for 80 kennels (these regulations will only require kennels to be provided for 20% of the greyhounds running in a race or trial). The higher range of costs were provided by a number of GBGB affiliated greyhound tracks with experience of building kennels. However, the kennel standards that are required by the GBGB are higher than those required in these regulations. The suggestion that 80 kennels would cost £50,000 was based on the experience of a greyhound rescue who had recently built a new set of kennels. A small number of responses did feel that the estimated costs of kennels were a reasonable estimate, some even suggesting that they were generous.

6.4 A total of 2,451 responses were received to the formal public consultation. The varied evidence provided by the consultation exercise on the likely costs of building new kennels suggests that our original estimate for costs of kennels (£14,000 for 12 kennels, paragraph 7.18 of this Impact Assessment) was a reasonable estimate, and we have not made any changes to these costs when preparing this final Impact Assessment. A full summary of the responses to the public consultation, along with the Government's formal response and agreed changes to the regulations, has been published on the Defra website at:
<http://www.defra.gov.uk/corporate/consult/greyhound-welfare/index.htm>

7. Options Considered

7.1 It is the view of Defra that there should be a set of minimum welfare standards at all greyhound racing tracks. The Greyhound Welfare Working Group – which was set up by Defra and met five times between June 2005 and January 2007 – helped develop a set of welfare standards which we believe represent the minimum welfare standards which should apply at all greyhound racing tracks. The public consultation held on the draft regulations also helped to further refine these standards. The standards mostly already apply at GBGB tracks and should the GBGB be successful in its application for UKAS accreditation we can be satisfied that there is sufficient evidence that these standards are being enforced at GBGB tracks. Independent tracks will also need to meet these standards.

7.2 The minimum standards that should apply at all greyhound racing tracks are:

- Veterinary presence at all race meetings, race trials and sales trials
- Appropriate facilities for veterinary surgeon to administer first aid to animals at all tracks
- Adequate kennelling at all tracks
- All racing greyhounds to be microchipped and earmarked
- All tracks to maintain records of dogs raced and injuries occurring on track.

7.3 The main requirement of these standards is that there must be a **veterinary surgeon present for all race meetings, trials and sales trials** – who should then **inspect all dogs before they run**. Some independent tracks have a veterinary surgeon 'on call' for race meetings. This option was considered for smaller tracks however, this option can result in a significant time lag between an injury occurring and a dog being seen by a veterinary surgeon (due to the time to be transported to a practice or a veterinary surgeon travelling to the track). The opinion of all stakeholders involved has been that this time delay results in serious compromise of the welfare of the dogs involved. The physical presence of a veterinary surgeon at a track during every meeting is – in our opinion – vital to improve welfare. The results of the public consultation supported this view. An 'on-call' veterinary surgeon would only see dogs which they were specifically called to see and there would be a disincentive to owners to call the veterinary surgeon due to the expense of emergency fees. Where a veterinary surgeon is physically present at a track, it will be easier for owners to have their dogs seen and the owner or trainer will not have to pay for emergency call out fees – thereby creating a benefit for owners/trainers. This will encourage owners/trainers to seek treatment. In addition, the veterinary surgeon would be able to take note of any animals that appear to need treatment and either suggest to the owner/trainer that treatment might be appropriate (a failure to then seek treatment could well be a welfare offence under the Animal Welfare Act) or report it to track officials. The presence of a veterinary surgeon will lead to improved welfare as it will be less easy for owners to race ill or injured dogs without being noticed. The role of the veterinary surgeon can be seen as not merely to treat animals but to act as a disincentive to people trying to breach welfare standards. The compulsory presence of a veterinary surgeon may also be beneficial for public opinion of greyhound racing. It is also a requirement of these regulations that records of dogs raced and injuries occurring should be kept. A veterinary surgeon will be needed to identify and diagnose such injuries.

7.4 The veterinary surgeon will be required to inspect each dog before it participates in a race, trial or sales trial. If the veterinary surgeon declares that a dog is unfit to run for any reason, it will be a breach of the licensing conditions for the track manager to allow that dog to participate. It is our view that the veterinary surgeon will be able to identify a large proportion of dogs that are unfit to race i.e. due to lameness or other injury. Racing an injured dog compromises the dog's welfare and can lead to more significant injuries. By identifying such dogs prior to running, the veterinary surgeon will be able safeguard the welfare of these dogs. In addition to protecting the dog, this requirement will have a benefit to owners as it can cost an estimated £1000 to £2000 to replace a dog which can no longer run due to serious injury.

7.5 It is our view that as a veterinary surgeon will only have two main duties – to inspect dogs before they run and to provide first aid if necessary – there is no need for the veterinary surgeon

to have any specialist greyhound qualifications. Furthermore, we would be concerned that any further qualification requirements would restrict the number of affordable veterinarians available to racetracks. These regulations will require that the only minimum qualification needed for the veterinary surgeon will be that the veterinary surgeon is a RCVS registered veterinary surgeon. Other desirable qualifications which a veterinary surgeon may wish to obtain – or a track should look for when recruiting a veterinary surgeon – will be contained in the accompanying guidance. To prove a veterinary surgeon has been in attendance at every race, trial and sales trial (and has inspected every greyhound intended to run), tracks will be required to keep a register of attendance of veterinary surgeons. The details on the register must be kept for at least 3 years (the maximum possible length of a licence). We do not believe there will be any additional cost associated with this requirement as the cost will be included in the cost of having a veterinary surgeon present at all race meetings and trials.

7.6 We believe it is also justified on welfare grounds that a **veterinary surgeon should be provided with the appropriate facilities** to carry out their duties. Responses to the public consultation supported the provision of such facilities. After detailed discussions with stakeholders, and following the public consultation, we will require that these facilities should include amongst other things a clean (and easily cleanable) lockable room (either static or mobile) with adequate heating and lighting, hot and cold running water, an examination table suitable for examining greyhounds, a lockable cupboard suitable for drug storage, a fridge and a freezer. We believe the vet's room must be in close proximity of the track to allow the veterinary surgeon to monitor racing while attending to injured dogs and to quickly reach any part of the track in an emergency situation.

7.7 Consideration has also been given to the **provision of ventilated kennelling** for dogs both prior to and after racing. In our opinion, the need to kennel all dogs prior to a race is primarily driven by the need to ensure the integrity of the race. All GBGB tracks require all dogs to be kennelled prior to a race, but this is primarily for integrity purposes, since high levels of off-course betting take place on races at many GBGB tracks. Independent greyhound tracks do not have the same integrity demands and there is currently no requirement at those tracks for dogs to be kennelled. While we accept that integrity and welfare cannot be entirely separated, we do not believe there is sufficient welfare justification to require all dogs to be kennelled prior to a race. However, we do believe that there is a need to provide sufficient ventilated kennelling at all tracks to ensure no dog is left in a vehicle in a situation that may lead to its welfare being compromised i.e. in warm weather. Where an owner or trainer takes more than one dog to a race it is clearly unacceptable for one or more dogs to be left unattended in a car or van. Tracks should therefore make some kennels available for those trainers or owners who need to kennel their dogs during a race meeting. As a minimum we believe that tracks should provide enough kennels to kennel at least 20% of dogs on a race card. For example, if a track ran 10 races with 6 dogs per race, there should be 12 kennels made available. Following discussions with key stakeholders, and after considering the responses to the public consultation, we will require that the internal dimensions of each kennel built after these regulations come into force should be a minimum of 136cm long by 87cm wide by 110cm high. This size requirement will not apply to any kennels built before these regulations come into force. In addition, all kennels must meet at least the following criteria: walls, floors and doors to be made of easily cleanable material; kennels must be cleaned between dogs; and disinfected and dried between meetings or trials. Also kennels must have adequate lighting to allow safe handling and examination of dogs; have a comfortable place for the dog to lie (any bedding must be changed between each dog); and be constructed in such a way so as to minimise risk of injury to the dogs within them. Greyhounds in kennels should be easily observed by someone monitoring the dog, ventilation must be provided in the kennelling area (this can be natural or artificial ventilation), the temperature within kennels (when dogs are within them) should be suitable for greyhounds just raced and no more than one greyhound should be kept in a kennel. A kennel should also be available for veterinary surgeons to use for emergency cases. This should be easily observable from the veterinary surgeons room. After considering the responses to the public consultation the requirement to provide kennels will also not apply until 36 months after the regulations come into force. This is to allow time for those tracks without kennels to fulfil this requirement.

7.8 One of the main welfare concerns involving racing greyhounds is their fate after they have been retired from racing. While there has been plenty of conjecture about the fate of retired greyhounds (see section 3 above) it is clear that the traceability of greyhounds needs to be improved. The majority of racing greyhounds are already earmarked. We propose to make it a requirement in the regulations that any greyhound born after the regulations have come into force must be earmarked. We also propose to require **all racing greyhounds to be micro-chipped and the details placed on a national database** (a list of appropriate databases will be contained in the regulation guidelines). The GBGB have created a single database that is now in operation for all the greyhounds that run on GBGB tracks. While it would be preferable for there to be one single database for the entire industry, there are a number of privately run databases which will be able to store data on racing greyhounds without placing an additional burden on independent greyhound racing. The cost of micro-chipping all racing greyhounds will fall on the owners and trainers of the dogs. However, we anticipate that the tracks themselves will need to acquire microchip scanners to ensure that all dogs which race at their tracks are micro-chipped. We believe that both a tattooing and microchipping requirement combined with a requirement to place the details of the dog on a recognised national database will be sufficient to increase the traceability of retired greyhounds.

7.9 These standards will also require **records of all dogs raced and trialed to be kept by the track** (either in electronic or paper form). Following the public consultation we have decided that these records should be kept for 10 years, rather than the proposed 5 years. The veterinary surgeon in attendance at any meeting or trial will also need to record any injuries a dog has sustained, along with the date the injury occurred, the name of the owner or trainer of the dog, the dog's microchip or earmark number and the treatment administered. These records should be kept for 10 years, enabling trends to be monitored at each track over time.

We have, as far as possible, calculated costs and benefits for the above five standards.

Veterinary presence at all race meetings

7.10 All GBGB tracks already have a veterinary surgeon present at all race meetings. A survey of independent tracks conducted in 2006 (henceforth referred to as Survey 2006) found that three of the six existing independent tracks have a veterinary surgeon present at all race meetings. Therefore, this requirement applies to the remaining three independent tracks.

7.11 Each independent track typically holds 2-3 race meetings per week, i.e. about 130 race meetings per year, each lasting about 3 hours. On the basis of a recent survey, the cost of veterinary time is assumed to be £38.50 per hour.

Veterinary presence at all race trials

7.12 All GBGB tracks already have a veterinary surgeon present at all race trials. Only one independent stadium is known to have a veterinary surgeon present at race trials. Therefore, this requirement applies to the remaining five independent tracks.

7.13 Each independent track typically holds 2 race trials a week, i.e. 104 race trials per year, each lasting about 2-3 hours.

Veterinary presence at all sales trials

7.14 All GBGB tracks already have a veterinary surgeon present at all sales trials. It is not known whether any independent stadium has a veterinary surgeon present at sales trials.

7.15 We have estimated that each independent track might host one sales trial per year, with each one lasting approximately five hours.

Adequate facilities for veterinary surgeon to treat animals at all tracks

7.16 All GBGB tracks already have adequate facilities for the veterinary surgeon to treat animals on track. The three independent tracks that have veterinary surgeons present at race meetings also have adequate facilities for veterinary surgeons to treat animals. Therefore, this requirement would only apply to the three remaining independent tracks. The NGRC estimated that it would cost about £600 to equip an existing space to the recommended standards above.

Adequate kennelling at all tracks

7.17 All GBGB tracks already have kennelling that will meet the requirements of these regulations. The public consultation showed that a number of kennels at GBGB tracks would not have met the kennel sizes required in the regulations. However, as we have not seen any evidence that these existing kennels created any welfare problems we will only be requiring that the proposed kennel sizes will apply to kennels built after these regulations have come into force. For independent tracks, we believe that there should be enough kennels provided to kennel at least 20% of dogs on a race card. For example, if a track ran 10 races with 6 dogs per race, there should be 12 kennels made available. Kennels should be constructed to: provide sufficient room for a dog; kennel dogs safely; ensure dogs are kept at a suitable temperature and ensure there is adequate ventilation.

7.18 It is known that four independent tracks have kennel facilities of some kind that could be adapted¹⁶, while the other two do not have any existing kennels. The NGRC has estimated that it would cost about £82,000 to construct 72 kennels of a standard to meet their requirements. Responses to the public consultation also produced a wide variety of possible costs. However, the standards in these regulations will not require a purpose built kennelling facility and in some cases we would imagine existing buildings can be converted to a suitable welfare standard. It was therefore estimated that, for those tracks that have no kennelling facilities in existence, the cost of building a purpose built facility for 12 kennels would be a **maximum** of about £14,000. The cost estimate was halved for those tracks that have some kennelling facilities in existence – which may only require existing kennels or buildings to be converted. As some tracks may have to build new kennels, we specifically sought views during the public consultation as to whether there should be a longer lead in time to meet this requirement. As a result of the public consultation, we will allow tracks 36 months, from when these regulations come into force, to meet this requirement.

All tracks to maintain records of dogs raced or trialed and injuries occurring on track

7.19 All GBGB tracks already maintain such records. It is believed that all independent tracks also keep records of dogs that race on their tracks. Injury records will be maintained by the veterinary surgeon in attendance at any meeting or trial. There is no additional cost associated with this requirement as the cost of having a veterinary surgeon present at all race meetings and trials has already been included. Also, as such records will only require a small amount of storage space we have not attributed any cost to the requirement to keep these records for 10 years.

All racing greyhounds to be microchipped and earmarked

7.20 All dogs racing on GBGB tracks are earmarked but are not currently required to be microchipped. The NGRC estimated that there were currently about 20,400 dogs racing on NGRC tracks. All dogs in racing will have to be microchipped when the regulations come into force. This represents a one-off cost. In addition, all new dogs joining greyhound racing every year would also have to be microchipped. This represents an annual cost of the proposed regulations. The GBGB has estimated that about 8,500 dogs join greyhound racing on licensed tracks every year.

¹⁶ Some independent tracks have indicated that they had built kennels in the past but that these kennels have either fallen into disrepair or been diverted to other uses due to disuse.

7.21 The NGRC microchip working group has estimated that it will cost about £5-10 to microchip each dog. A mid-range value of £7.50 was therefore used as the per unit cost of microchipping. All tracks would also have to install scanning equipment in order to be able to read the microchips, which would cost about £85-200. A mid-range value of £142.50 was used to estimate this fixed cost.

7.22 Using Survey 2006 data, it was estimated that there are about 2025 greyhounds racing on independent tracks. The number of new dogs that join greyhound racing on independent tracks every year is not known. Using NGRC estimates for NGRC tracks, the ratio of new additions to the existing population of racing dogs was estimated to be about 0.48. However, dogs that race on GBGB tracks tend to race for a shorter period. The racing life of a dog on an independent track is much longer i.e. from 15 months till 5/6 years old, therefore it would probably be more accurate to use a lower ratio i.e. about 0.25. It was assumed that about 25% of these dogs would have run on NGRC tracks and would therefore already be microchipped. It was therefore estimated that about 380 new greyhounds would have to be microchipped per year.

7.23 It was assumed that the cost of microchipping would be about £9 per dog on independent tracks. The higher cost is due to the fact that there would be an additional cost of registering the dog on a database (estimated to be about £1-2 per dog). There is no such additional cost for dogs racing on licensed tracks as they would be registered on the GBGB database.

7.24 All dogs racing on licensed tracks are earmarked, however it is likely that no more than 5% of the estimated 75% of greyhounds who only ever race at independent tracks are currently earmarked. The National Dog Tattoo register quotes that the cost of tattooing a puppy (age at which they are normally done) as £7 per pup. It then costs £20 to register the litter on the database. There is an average of 5 or 6 pups per litter. It was therefore assumed that it would cost about £11 to earmark each dog. The consultation stage Impact Assessment included the one-off cost of earmarking dogs currently racing on independent tracks. However, as a result of the public consultation, we will not be requiring any dogs born before the date these regulations come into force to be earmarked and therefore this one-off cost has now been excluded from the assessment.

Table 1. Costs of meeting minimum welfare standards

Requirement	One-off cost	Annual cost (from Implementation date)
Veterinary presence at all race meetings		£45,045
Veterinary presence at all race trials		£50,050
Veterinary presence at all sales trials		£1,155
Adequate facilities for vet to treat animals at all tracks	£1,800	
Adequate kennelling at all tracks	£54,672 ¹⁷	
Maintain records of dogs raced and injuries occurring	£0	£0
Earmark dogs racing on independent tracks	£0	£3,968
All racing dogs to be micro-chipped		
Micro-chip dogs racing on GBGB tracks	£153,023	£63,750
Install scanning equipment on GBGB tracks	£3,990	

¹⁷ Kennelling costs are assumed to occur in the two years following implementation of the legislation

Micro-chip dogs racing on independent tracks	£13,669	£3,417
Install scanning equipment on independent tracks	£855	
Total	£227,866	£167,385

Benefits

7.25 The welfare benefits of these minimum standards are described below, although it should be recognised that they are often difficult to quantify. Non-compliance with these standards would reduce the level of benefits that could be achieved.

Treatment of injured dogs at race meetings

7.26 These standards will ensure that there is veterinary presence at all race meetings, trials and sales trials on independent tracks and that there are adequate facilities for veterinary surgeons to treat animals on-site. These measures are expected to improve welfare outcomes for injured greyhounds by reducing unnecessary pain and suffering by ensuring prompt medical attention and prompt, humane euthanasia when needed. According to NGRC estimates, on average about 2 injured dogs were treated on-site per race meeting on NGRC tracks. The nature of injuries is variable and ranges from minor skin trauma to fracture requiring fixation or injuries requiring euthanasia.

7.27 Adjusting the injury rate to account for the fact that race meetings on independent tracks are typically smaller¹⁸, it can be concluded that these regulations will lead to prompt on-site treatment for 780 injured dogs on independent tracks (2 injuries per race meeting × 3 independent tracks without veterinary presence at race meetings × 130 race meetings per year on independent tracks). In addition, it is expected that 20 of these injuries (per track) will be of a very severe nature which is likely to require euthanasia. These regulations will thus allow 60 dogs severely injured on independent tracks per year (20 dogs per track × 3 independent tracks without veterinary presence) to receive immediate pain relief or immediate euthanasia, whichever is the most humane option. We would expect GBGB tracks that undergo regular inspections to have safer racing conditions than independent tracks.

7.28 In addition to ensuring that dogs receive prompt treatment, on-site veterinary presence also determines whether injured dogs receive any medical treatment at all. The overwhelming opinion of veterinary surgeons who have worked at independent tracks is that injured dogs are not treated if a veterinary surgeon is not present on-site, but almost all are treated if a veterinary surgeon is present. Assuming that 80% of injured dogs on independent tracks would not receive any veterinary care if a veterinary surgeon was not present on-site, it was estimated that this policy option would benefit about 624 injured dogs.

7.29 Of the 20% of dogs who we assume do receive further veterinary care, the cost of receiving basic consultation and first aid (i.e. bandage and pain-killers) at a veterinary practice in the evening/weekend (when almost all races are held) is estimated to be £100. Veterinary surgeons present at racetracks at present generally only charge owners the cost of the materials used. Based on the treatment outlined above, this would be estimated to be £10. Thus for the 20% of dogs that we are assuming would receive treatment if injured, the saving per dog if a veterinary surgeon is present at the track would be £90. This minimum standard would result in savings of £14,040 (156 × £90). Note that this is not an actual benefit but a transfer from dog owners (who were previously being charged higher prices because there was no veterinary surgeon on-site) to track operators (who are now paying for a veterinary surgeon to remain on-site).

7.30 Some injured dogs may be unable to return to racing if they are not given first aid. Therefore, these proposed standards are expected to enable a higher number of injured dogs to

¹⁸ Licensed tracks tend to have about 12 races per meeting with 6 dogs per race while independent tracks tend to have about 10 races per meeting with 6 dogs per race.

return to racing. Although the impact is difficult to quantify, the effect on owners could be significant as the cost of replacing a fully fit racing dog that is retired due to injury can be £1000 to £2000.

7.31 These proposed standards would also ensure that there is on-site veterinary presence at all trials, meaning that animal welfare benefits similar to the ones described above would also be realised. It was not possible to estimate the magnitude of these benefits due to lack of information on injury rates during trials (although independent tracks have indicated that there are more injuries during racing trial sessions than at race meetings).

7.32 For illustrative purposes, we can make a calculation of the financial benefit that needs to accrue to cover the likely costs of veterinary presence at all race meetings and trials. Using the simplified assumption where the one-off cost of a vet is spread evenly over the 5 year period under consideration, and then by adding this to the annual cost of a vet, we can calculate that the annualised overall cost will be £96,610. Taking the estimate calculated previously that this policy option would affect 624 dogs, we can calculate that the benefit would need to be £154.82 per affected dog to ensure the policy is worthwhile.

Welfare improvements from the provision of adequate kennelling

7.33 These proposed standards when implemented will lead to the provision of adequate ventilated kennelling at all independent tracks. In the absence of such kennelling, dogs face a risk of hyperthermia or even death in hot weather and hypothermia in the winter. If no kennels are available, they are likely to be kept in unsupervised transport vehicles in a car park. In the past, deaths have been recorded due to being shut in hot cars in the summer.

7.34 The implementation of this standard would not only benefit the dogs themselves, but also the owners as the dogs would be in a better condition to race and the risk of someone tampering with the dogs would be reduced. In addition, owners who leave dogs in cars in hot weather could be committing an offence under the Animal Welfare Act. Thus the provision of suitable kennelling would benefit owners by allowing them to adhere to their duty of care.

7.35 As with the need for a veterinary presence for all races and trials, for illustrative purposes, we can make the calculation of the financial benefit that needs to accrue to cover the likely costs of providing adequate kennelling. Again, using the simplified assumption where the one-off cost of providing kennelling is spread evenly over the 5 year period under consideration, and then by adding this to the annual cost of kennelling, we can calculate that the annualised overall cost will be £10,934. Taking the estimate calculated previously that there are 2025 dogs used in independent racing and assuming that all kennels are used (so 20% of the dogs racing use the kennels) we can calculate that this policy option could affect 405 dogs. Therefore the benefit would need to be £27.00 per dog to ensure the policy is worthwhile.

Improved traceability of retired greyhounds

7.36 These standards include a requirement for all racing dogs to be micro-chipped. The rationale behind introducing this requirement is to reduce the number of cases in which retired greyhounds effectively 'disappear' or are found to be suffering neglect or cruelty, by improving the traceability of a dog to its owner.

7.37 As mentioned in paragraph 3.4 above the scale of this problem is significant. The APGAW report states that "A minimum of 4,728 dogs in GB are unaccounted for each year". However, note that this figure includes the euthanasia of retired greyhounds, which is covered by the Animal Welfare Act 2006 and not considered under the ambit of these welfare regulations.

7.38 Again, for illustrative purposes, we can make the calculation of the financial benefit that needs to accrue to cover the likely costs of earmarking and microchipping racing greyhounds. We have calculated that the annualised overall cost of earmarking will be £3,968. From the estimates provided in paragraphs 7.22 and 7.24 we can calculate that this policy option would affect approximately 650 dogs. Therefore the benefit would need to be £6.11 per dog to ensure

the policy is worthwhile. For microchipping, the one-off cost spread over 5 years plus the annual cost can be calculated as £100,505. Taking the simple assumption that this would affect the estimated 4728 dogs per year which APGAW calculate are unaccounted for, we can calculate that the benefit would need to be £21.26 per dog.

Other benefits

7.39 One of the requirements of the regulations is to keep records of injuries and fatalities that occur on tracks. The information collected in this way would allow welfare problems at individual tracks to be identified. Risk factors for injuries and fatalities could also be identified through future analysis. Mitigation strategies could then be used to improve welfare outcomes for racing greyhounds.

7.40 It is possible (although there is no supporting evidence in the literature) that improving welfare standards for racing greyhounds will improve the public perception of the sport and contribute to its increased popularity over time.

7.41 Defra consider the above five standards as being the minimum required for greyhound racing. The following five options were the options we considered as possible means of ensuring compliance at greyhound racing of the standards set out above. Our chosen option for implementing these standards, as explained below, is option 4 – the introduction of a licensing scheme.

Option 1: Do nothing.

7.42 The Government made it clear that the industry needed to undertake significant reform to be an acceptable regulator of its own welfare standards – and this reform needed to be borne out by the industry achieving UKAS accreditation. With the establishment of the GBGB, and the promise of UKAS accreditation, it can be said that this has largely happened. If the greyhound racing industry consisted of just tracks affiliated to the GBGB then the need for introducing statutory regulation would be minimal.

7.43 The option of doing nothing now would still leave those tracks which operate outside of the GBGB with no specific welfare regulations and no reforms equivalent to the GBGB. It is arguable that, as independent tracks only consist of 6 out of the 33 tracks which exist in England, it would be acceptable not to regulate as a large majority of the industry already meets the welfare standards Defra regards as a minimum. Introducing regulations to tackle a small number of tracks might not be seen as proportionate. However, leaving a minority of tracks unregulated would create a system where the better tracks racing under the rules set by the GBGB had to maintain good welfare practices, but the independent tracks were not subject to any specific welfare demands. Any incidences of poor welfare or cruelty occurring in relation to an independent track would damage the reputation of greyhound racing – with the potential to harm attendances at all tracks.

7.44 This option would rely on the use of the cruelty and welfare offences in the Animal Welfare Act 2006. It would fall primarily to private organisations, almost exclusively the RSPCA, to inspect and enforce the offences (although local authorities and the police would have powers to do so). Investigations would depend on evidence being provided that suggested the track was breaking the law. It would not allow spot checks on a risk managed basis. The Government has made it clear that it wishes to have one minimum welfare standard for all greyhound tracks. Opting to 'do nothing' would leave in place no minimum standards of welfare for some tracks and would be unacceptable to both welfare groups and the majority of the industry. We have, therefore, not pursued this option.

Costs:

No additional costs.

Benefits:

No additional benefits. The GBGB would continue to enforce minimum welfare standards for licensed tracks. There would be no change for independent tracks.

Option 2: Introduce non-regulatory industry agreements

7.45 The introduction of non-regulatory industry agreements was considered. The GBGB would be able to meet the above standards and would be able to sign up to the any such non-regulatory agreement. However, this would not cover those tracks which did not belong to the GBGB. While there is evidence that several independent tracks would be able to sign up to the above required standards, it is possible that the remaining independent tracks would not sign up to the agreement and therefore could continue operating without regard to the agreed welfare standards of the majority of tracks. There would also be no effective mechanism to deal with incidences of non-compliance. As with the current situation, the responsible tracks would sign up to the agreement but it would not cause a change in behaviour amongst those tracks which already have standards which fall short of the standards we wish to see in place. This option would not enable effective action to be taken against any tracks which did not wish to meet the above minimum welfare standards. As with Option 1 - any incidences of poor welfare or cruelty occurring in relation to an independent track would damage the reputation of the wider greyhound racing industry – with the potential to harm attendances at all tracks. Again, we have not, therefore, pursued this option.

Costs:

7.46 The costs of meeting the requirements of this proposal will be just the costs of meeting the minimum standards. These costs have been set out in Table 1 above. GBGB tracks are already fully compliant with most of the minimum standards. The only requirement that they do not currently comply with is the requirement for all racing dogs to be microchipped. This cost is included above (although the GBGB has indicated that it is committed to introducing this requirement even in the absence of regulation).

7.47 Independent tracks, on the other hand, will incur additional costs as many of them are not compliant with the minimum standards. The total cost of full compliance with the minimum standards is detailed above and in Table 1. Although non-compliance has not been taken into account when producing the cost estimates (as it is difficult to predict the rate of non-compliance), we note that it is a high possibility under this policy option, as there is no real means of enforcing the requirements and thus non-compliance is much more likely.

Benefits

7.48 The welfare benefits of these standards have already been described above, although they are often difficult to quantify. It is probable that the level of non-compliance with the welfare standards would significantly reduce the level of benefits that could be achieved under this option. This option would be unlikely to ensure that the public could have complete confidence in the welfare standards that apply at all tracks.

Option 3: Introduce a range of 'offences' which set minimum standards for all greyhounds tracks.

7.49 One option considered was the introduction of regulations which would introduce specific offences. These specific offences would mirror those minimum standards which have been outlined above. Therefore under this option a track would commit an offence if it: did not have a veterinarian present at all race meetings, trials and sales trials; did not provide suitable facilities for the veterinary surgeon; did not provide adequate kennelling for the dogs, did not keep records of any injuries, or allowed a dog which was not appropriately microchipped or tattooed to race.

7.50 While this sort of regulation would minimise the regulatory burden on tracks by negating the need for an external body to inspect the tracks, there would be no real means of enforcing

the requirements. As with Options 1 and 2 it would rely on private prosecutors to monitor tracks and then ask local authorities or the police to use their powers of entry to enforce the requirements.

7.51 While the costs of this option would be slightly less than those for the introduction of a licensing scheme (see option 4 below) - the same compliance costs minus the registration fee – the likelihood would be that the compliance level would not be the same as with a scheme which required inspections to be carried out and therefore it would be unable to guarantee the same level of welfare standards across the industry. As such, we have not pursued this option as we felt it more appropriate to select an option that was more likely to ensure compliance with the standards set down.

Costs

7.52 The costs of meeting the requirements of this proposal will be just the costs of meeting the minimum standards. These costs have been set out in Table 1 above. GBGB tracks are already fully compliant with most of the minimum standards. The only requirement that they do not currently comply with is the requirement for all racing dogs to be microchipped. This cost is included above (although the GBGB has indicated that it is committed to introducing this requirement even in the absence of regulation).

7.53 Independent tracks, on the other hand, will incur additional costs as many of them are not compliant with the minimum standards. The total cost of full compliance with the minimum standards is detailed above and in Table 1. Although non-compliance has not been taken into account when producing the cost estimates (as it is difficult to predict the rate of non-compliance), we note that it is a distinct possibility under this policy option, as there is no real means of enforcing the requirements and thus non-compliance may be more likely.

Benefits

7.54 This policy option is expected to improve the welfare of racing greyhounds by introducing minimum welfare standards. The welfare benefits have already been described above, although they are often difficult to quantify. Non-compliance with the welfare standards would reduce the level of benefits that could be achieved.

Option 4: Introduce a licensing scheme.

7.55 Our chosen option is for a licensing scheme under the Animal Welfare Act 2006. Section 13 of the Animal Welfare Act allows us to make regulations requiring a person to be licensed by a local authority before they can carry on an animal related activity. Therefore we can introduce a licensing scheme where greyhound tracks will be required to be licensed by a track's local authority. The five minimum welfare standards set out above will effectively become the conditions of a licence. Unless a greyhound racing track met these conditions, it would be unable to obtain a licence. The Animal Welfare Act allows it to be an offence to operate without a licence. The regulations will allow local authorities to fully recover the costs of administering such a licensing scheme through the licence fee they will be able to charge. We do not anticipate there will be any significant setting-up costs to putting such charging in place and this should mean that there are no new significant financial burdens placed on local authorities.

7.56 However, in line with the Government's commitment to Better Regulation and previous ministerial assurances that UKAS accreditation would enable the regulated sector of the industry to self regulate (should the standards that UKAS accredit match, at a minimum, those set in these regulations), we propose to exempt any tracks that are inspected by a body accredited by UKAS from the licence requirement. If, by the time these regulations come into force, the GBGB has secured UKAS accreditation and GBGB mandatory welfare standards meet or exceed those laid down in these regulations, any GBGB track in England will not be required to be licensed by the local authority. If at some point in the future GBGB loses UKAS

accreditation then GBGB tracks will fall within these regulations. Likewise, if a track currently with the GBGB leaves that organisation then it will be required to be licensed by a local authority. Accreditation by UKAS – the sole national accreditation body recognised by government – will demonstrate the competence, impartiality and performance capability of the GBGB as regulator of agreed standards. We will require these standards to be, at a minimum in line with the standards set out in these proposed regulations. We are satisfied that UKAS accreditation demonstrates that the GBGB is an acceptable regulator of its own welfare standards.

7.57 The licensing scheme will provide local authorities with powers of entry and inspection that would allow risk managed inspections by the local authority to check for compliance with provisions made by the regulations. Local authorities will be able to target their enforcement activities on those tracks that pose a higher risk of not complying with the standards required in the regulations while allowing a lighter touch for those tracks that are low risk. It is our opinion that a number of independent tracks maintain standards which would already meet the standards as laid down in these regulations and probably could be considered a lower risk by local authorities than some other tracks which have not attempted to meet these standards. A pre-licensing inspection would be required and any post-registration inspections within the maximum 3 year life of a licence could be done on a risk-managed basis.

7.58 Guidance will be introduced to support the regulations. The guidance will not be a code on how to best look after racing greyhounds. The guidance will deal only with providing more detailed information to both track owners/managers and local authorities about how to meet or enforce the standards in the regulations.

Costs

7.59 The licensing scheme will impose, as conditions of a licence, the same minimum welfare standards as set out Table 1 above. The costs of implementing these minimum standards are therefore the same as in Option 3. Additional costs associated with this option are listed below and in Table 2.

Licence cost

7.60 Licence costs are expected to cover the costs of both routine inspection and ad hoc enforcement activities. It has not been possible for LACORS to provide an estimate for the cost of a licence or inspection for the six independent race tracks. However, from figures based on the costs of licences for pet shops and boarding establishments (which already require a similar licence) in the local authority areas of the 6 tracks concerned, a range of costs have been established. Licences are assumed to cost on average between £125 and £155 (with a mid value of £140). Although licences are expected to last for 3 years, for the first 3 years it is assumed that the licence will be renewed annually.

7.61 Based on estimates for GBGB tracks, it was assumed that it would take independent tracks an hour to complete the licensing form. The hourly cost of time for leisure and sports managers is £13.88 (including 30% overheads). This was used to calculate the administrative burden associated with the licensing requirement.

Inspections

7.62 It has been assumed that each track will be routinely inspected twice a year (one licensing visit plus one mid licence visit), with possibly an additional ad hoc enforcement visit on average once a year. Both types of visits are expected to last approximately one hour. As highlighted above, the cost of these visits to local authorities will be recouped via the licensing cost; the time required for a track steward to accompany the visit is an additional administrative burden.

Administrative burden

7.63 The total administrative burden imposed by the regulations will be the time spent completing the licensing form and the time spent accompanying inspection visits, as detailed in 7.60-7.62, and listed in Table 2. As set out in 10.3, it was the view of the tracks that were involved in our discussions that these regulations would not impose a significant new paperwork burden on them. The total annual administrative burden is £333.

Table 2. Costs of Option 4 (licensing scheme)

Requirement	One-off cost	Annual cost (from Implementation date)
Veterinary presence at all race meetings		£45,045
Veterinary presence at all race trials		£50,050
Veterinary presence at all sales trials		£1,155
Adequate facilities for vet to treat animals at all tracks	£1,800	
Adequate kennelling at all tracks	£54,672 ¹⁹	
Maintain records of dogs raced and injuries occurring	£0	£0
Earmark dogs racing on independent tracks	£0	£3,968
All racing dogs to be micro-chipped		
Micro-chip dogs racing on licensed tracks	£153,023	£63,750
Install scanning equipment on licensed tracks	£3,990	
Micro-chip dogs racing on independent tracks	£13,669	£3,417
Install scanning equipment on independent tracks	£855	
Licensing		
Licensing fee (includes cost of inspections)		£750 - £930
Admin burden of licence		£83
Admin burden of inspections		£250
Total	£227,866	£168,468 – £168,648

Benefits

7.64 The benefits of this option are the same as the benefits of option 2, as the same minimum welfare standards will be imposed on the industry in both cases. However, this policy option is better placed to realise the overall benefits as it would be able to deter non-compliance much more effectively, especially compliance with the requirement to have a veterinary surgeon present at all race meetings, trials and sales trials – which in the view of professional veterinary bodies and many welfare organisations is key to improving welfare standards.

7.65 As with Option 3, improving welfare standards for racing greyhounds will improve the public perception of the sport and contribute to its increased popularity over time. Although such a benefit will be difficult to quantify, it can be assumed that a sport which if fully regulated as outlined in this option is likely to be far more attractive to a younger audience looking for an evening's entertainment. It is important for any industry to be able attract this market and for greyhound racing it is vital that they can assure a new audience that the welfare of the animals

¹⁹ Kennelling costs are assumed to occur in the two years following implementation of the legislation.

used in the sported can be guaranteed. The ability to attract a new audience to greyhound racing will be greatly enhanced if the industry can meet the requirements set out in this option.

Option 5 - Establish a new regulatory body.

7.66 One option that has been suggested is that there should be an independent regulatory body established to oversee and license all greyhound tracks to ensure that these minimum standards are met. This option was very much supported in the public consultation. However, such an option would require primary legislation and public funding would be needed – at least to cover the initial establishment of the body - if not permanently.

7.67 It is clear that due to the relatively small number of tracks with potential welfare problems that the cost of establishing such a body would not be proportionate to the size of the problem and the number of tracks it would have to regulate. Further, such a move would be contrary to the 2005 Hampton Review on reducing the administrative burden of regulations on business. One of the key recommendations of the report was that there should be a substantial reduction in the number of regulatory bodies with which businesses have to deal - from 31 to 7. A Greyhound Regulatory Body - covering approximately 30 tracks - would undoubtedly be a small body and Hampton argued that small regulators although focussed, were less able to join up their work, and were less aware of the cumulative burdens on businesses. It was also more difficult and more expensive to have a comprehensive risk assessment system if data were split across several regulators with similar areas of responsibility. In such circumstances, a holistic view of business risk became difficult, if not impossible. The Government has accepted the recommendations of the Hampton Report in full.

7.68 The Government is satisfied that – provided the GBGB secures UKAS accreditation – a private body exists which is able to adequately regulate the welfare standards at GBGB tracks. The establishment of an independent regulatory body would be an unnecessary duplication of the regulatory functions of the GBGB, would be contrary to the recommendations of the Hampton Review and would be a costly solution to the addressing the problems at a very small number of independent greyhound tracks. As such, we will not be pursuing this option and we have also not judged it necessary to provide a cost/benefit analysis.

8. Conclusion

We believe that the implementation of our chosen option to introduce a licensing scheme for greyhound tracks in England will mark a major step forward in improving the welfare of racing greyhounds. The requirement to have a veterinary surgeon present at all race meetings, trials and sales trials as well as the requirement for all racing greyhounds to be permanently identified with details of the owner kept on database will lead to improvements in welfare at the racing track while improving the traceability of greyhounds after their racing life has finished. The overall welfare improvements these regulations will bring will also help towards promoting a better image throughout the whole greyhound racing industry and therefore secure a healthier long-term future for the sport.

9. Competition Assessment

9.1 In assessing the competition aspects of this regulation, four key questions need to be addressed: whether the proposals directly limit the number or range of suppliers, whether they indirectly limit the number or range of suppliers, whether they limit the ability of suppliers to compete, and whether they limit suppliers' incentives to compete vigorously. The four tests of the competition assessment have been considered.

Directly limits the number or range of suppliers

9.2 Under the first test of whether these proposals directly limit the number or range of suppliers, none of the minimum standards we wish to introduce will award any exclusive rights to supply or introduce a fixed limit on the number of suppliers. However, our chosen option

does create a licensing scheme, which in theory could lead potential entrants into the industry to reconsider their entry into the market. However, given the licensing conditions do not require licensees to hold specific qualifications relating to greyhound track ownership, and do not limit the number of licences that can be issued, we do not expect licensing to prohibit entry into the market. The licensing conditions require a small number of licensing conditions to be met that we believe are the minimum standards required to promote the welfare of racing greyhounds and should be easily obtainable by any supplier wishing to enter the market. We anticipate that the costs of meeting the licensing conditions will affect both current tracks and new entrants equally. The licensing scheme will be self-funded through the cost of the licence. However, we would anticipate that the licence fee and the cost of meeting the licensing conditions would be minor against the likely revenues a successful new track could achieve. The incentives of complying with the licensing regime (which can allow a longer licensing period of up to 3 years) will outweigh the incentives for non-compliance. The maximum penalty for operating without a greyhound track licence will be imprisonment for a term not exceeding 51 weeks (6 months until the commencement of section 281(5) of the Criminal Justice Act 2003), or a fine not exceeding £5,000, or both. The offence of operating without a licence can also lead to a track operator being disqualified from being party to an arrangement under which he is entitled to control or influence the way animals are kept.

9.3 Should the GBGB be successful in gaining UKAS accreditation (to standards which match those required in these proposals), then GBGB tracks will be exempt from the licensing requirement – although any tracks regulated by the GBGB will have to maintain the same minimum welfare standards. Evidence shows that GBGB tracks already maintain most of the required standards (they do not, as yet, require all dogs to be micro chipped – although they are planning to introduce this requirement). However, the GBGB also imposes a number of welfare standards above those required in these proposals. Therefore, while independent tracks will have to pay a licence fee, GBGB tracks will instead still have to meet the additional costs of GBGB membership.

Indirectly limits the number or range of suppliers

9.4 On the second test of whether these proposals indirectly restrict the number of suppliers, primarily through their impact on supplier's costs, it is the case with the impact of our minimum standards on costs will be small and affects all suppliers equally. The requirement that all racing greyhounds be micro chipped with the details placed on a database will be offset by the fact that there is likely to be a number of databases available that meet are required standards that owners/trainers can use (and we do not expect this cost to fall on the tracks themselves). Therefore, there is likely to be little effect on competition here - although, in common with all cost increases, there is a potential for incumbents to reconsider their position.

Limits the ability of suppliers to compete

9.5 On the third test of whether these proposals limit the ability of suppliers to compete, the minimum standards do not control or substantially influence the price a supplier may charge. There may be an increase in costs to independents tracks compared to the costs at GBGB tracks, however, this change is likely to be small. For example, tracks may decide to cover the cost of the veterinary surgeon by imposing a small increase to the price of admission to either the public or to enter a dog into a race. Where tracks have decided to already employ a veterinary surgeon experience has shown such increases are small. These proposals also do not limit the scope for innovation to introduce new products or supply existing products in a new way. And neither do they limit sales channels a track can use, restrict the ability of tracks to advertise their product or limit a track's choice of organisational form. However, the minimum standards will influence the characteristics of the product supplied by setting minimum animal welfare standards. These standards are justified to safeguard both the welfare of the dogs used as well as reassuring consumers that safeguards are in place. Consumers are unable to

monitor the quality of the care of the dog when it is not visible on the racetrack and these proposals ensure that consumers can have more confidence in the product they are watching.

Limits suppliers' incentives to compete vigorously

9.6 On the final test of whether these proposals limit suppliers' incentives to compete vigorously, these proposals do not: exempt suppliers from general competition law; require or encourage the exchange between suppliers of information on prices, costs, sales or outputs; or increase the cost to customers of switching between suppliers. There is no effect on competition under this test.

9.7 Having considered the four competition assessment tests, these proposals will not have any significant impact on competition between suppliers. Impact on consumers, where it occurs, is also likely to be minimal.

10. Small firms impact test

10.1 These proposals will impact on small businesses. All greyhound tracks and greyhound owners/trainers can be considered to be small firms. However, we are proposing an exemption from the licensing requirement for those tracks which already belong to a body which requires the same standards as set out in this proposals and has UKAS accreditation. In practice, and should the GBGB be successful in achieving UKAS accreditation for the same welfare standards as proposed here, this will mean any track affiliated to the GBGB will be exempted from having to obtain a local authority licence. This exemption may mean that 27 of the 33 tracks in England are exempted from the proposed requirement to be licensed.

10.2 We have contacted all 6 'independent' tracks to discuss the likely impact of these proposals. Three of the six tracks have been actively involved in these discussions. It was clear that the tracks were concerned about any requirement to provide enough kennelling for all dogs at a race or trial. However, our kennelling proposals do take into account the burden this would place on small firms, and our proposals will only require kennelling for a percentage of the dogs that race (for the purpose of the Impact Assessment we have chosen the figure of 20%). The independent tracks have welcomed this and have not indicated that providing a small number of kennels would prove to be a significant problem.

10.3 It was also the view of the tracks that were involved in our discussions that these regulations would not impose a significant new paperwork burden on them. Tracks already maintained records of all dogs that raced at the track. These existing records would only have to be amended to include a record of the dog's microchip and tattoo numbers. Tracks were also already experienced in being inspected by local authorities for other regulations, such as gambling, alcohol, etc.

10.4 We believe these regulations will improve welfare standards in a proportionate manner without imposing significant new burdens on greyhound racing tracks. The views of those tracks directly affected by these regulations have been sought throughout the policy process and some of the concerns highlighted have been addressed in these proposals.

11. Legal aid

These proposals will have no appreciable impact on the courts, tribunals or judges.

12. Sustainable Development

Analysis of the "stretching the web" filter indicated a neutral effect of these proposals on sustainable development.

13. Carbon Impact Assessment

The proposals do not affect an activity or sector that may have a significant impact on emissions of greenhouse gases, and therefore a full carbon impact assessment has not been completed.

14. Other Environmental Issues

These proposals may require the construction of a small number of small kennels for greyhounds. No other environmental issues have been identified.

15. Health impact assessment

As this proposal will not have any significant impact on human health, related lifestyle variables or demand on health and social care services a health impact assessment is not required (Department of Health – Screening Questions for health impact assessment).

16. Race, Gender and Disability equality assessments

A screening of the proposals against a checklist of questions as part of the Equality Impact Assessment has revealed that there is no impact on equality issues.

17. Human Rights.

There are no human rights issues raised by these proposals.

18. Rural Proofing

These proposals are unlikely to have a different or disproportionate impact in rural areas due to particular rural circumstances or needs.

Specific Impact Tests: Checklist

Use the table below to demonstrate how broadly you have considered the potential impacts of your policy options.

Ensure that the results of any tests that impact on the cost-benefit analysis are contained within the main evidence base; other results may be annexed.

Type of testing undertaken	<i>Results in Evidence Base?</i>	<i>Results annexed?</i>
Competition Assessment	Yes	No
Small Firms Impact Test	Yes	No
Legal Aid	Yes	No
Sustainable Development	Yes	No
Carbon Assessment	Yes	No
Other Environment	Yes	No
Health Impact Assessment	Yes	No
Race Equality	Yes	No
Disability Equality	Yes	No
Gender Equality	Yes	No
Human Rights	Yes	No
Rural Proofing	Yes	No

Annexes

None