



4 March 2021

Mr Sam Keenan
Committee Secretariat
Committee of Public Accounts
Leinster House
Dublin 2

Dear Mr Keenan

Further to your letter of 25 February (Ref: SOOO221 PAC33), I will respond point by point below.

1. The prize money awarded to horse breeders in 2019

In 2019, the total amount of prize money paid to horse breeders as part of the prize fund was €385,000.

2. How much prize money is awarded to point-to-point horse racing annually

The prize money budget for point to point horse racing amounts to circa €900,000 per annum.

3. How many horse trainers are there in Ireland

In 2019 there were a total of 549 licenced trainers in Ireland.

This does not include permits issued to point to point handlers.

4. The number of attendees at Leopardstown racecourse in 2017, 2018 and 2019

The number of attendees at Leopardstown Racecourse in 2017, 2018 and 2019 were 172,771, 173,087 and 175,357 respectively.

5. The rationale for the reduction in HRI spending on public relations and marketing in 2019

The reduction in HRI spending on public relations and marketing from €119,880 to €80,851 in 2019 was as a result of a higher than normal spend in 2018 on a new branding project.

6. The total job losses that occurred in Tote Ireland resulting from the marketing and distribution agreement with the UK Tote group

Tote permanent staff numbers were reduced from 19 to 6 in 2020, as a result of preparations for a new operating model for the Tote which commenced on 1 January 2021.

Of this reduction, 4 were accommodated in other parts of the HRI Group and 9 by way of agreed redundancies.

7. Information on the remuneration of employees and Board members of HRI and its subsidiaries

Information on remuneration of employees and Board members of HRI and its subsidiaries is included in the Annual Report under Notes 2/3/15. The information which is provided annually to the Department of Agriculture, Food and the Marine is shown separately on the **attached** schedule together with a copy of the derogation from the relevant Section of the Code of Practice for the Governance of State Bodies, dated 30 May 2018.

8. The date on which Mr. Kavanagh received the request from IHRB to transfer the funding for installing CCTV at racecourses

The request from the IHRB to transfer funding for CCTV at racecourses was first received by Horse Racing Ireland on July 24 2019. To avoid any confusion on this point, please note that this funding amounted to €80k.

9. The date on which the drug testing labs retained by the IHRB were changed

The drug testing laboratory service was changed to LGC in Newmarket by the IHRB in March 2018.

10. The date on which the board member representing the Irish Stable Staff Association was appointed to the board of HRI

The member representing the Irish Stablestaff Association was re-appointed to the Board of Horse Racing Ireland on 26 February 2018, having been first appointed in 2008. On the expiry of his first term in December 2012, he was not replaced or reappointed and continued to serve on the Board as provided for under the legislation. The reason for this was that the Department of Agriculture, Food and the Marine had commissioned Indecon Consultants to carry out a review of the sector and the make up of the Board. This led to the enactment of new legislation, the Horse Racing Ireland Act, 2016, which changed the basis on which persons employed in the industry were nominated to the Board.

11. The total amount spent on the online trainer licensing system that HRI adopted

An online trainer licencing system was developed and operated by the IHRB, with funding provided by Horse Racing Ireland. The total cost to develop this system was €293k spread over two years (2019 and 2020) which included the funds reallocated from the CCTV budget in 2019.

12. If any conflict of interest has been declared in the past two years on the HRI board

Each year, as required under Section 17 of the Ethics in Public Office Act 1995, Board members provide a statement of interest. These are consolidated into a register of Board Members Material Interests.

In each of the last two years, two Board members have disclosed material interests. If matters affected by those material interests were to be discussed, the Board member leaves the discussion.

13. If the Minister or the Department of Public Expenditure and Reform can enforce term limits when appointments are made from stakeholder organisations, and if the Minister of Public Expenditure and Reform can accept a stakeholder recommendation

The Horse Racing Ireland Act, 2016 provides that nominees to the Board shall be appointed by the Minister for Agriculture, Food and the Marine, that the term of office of an ordinary member shall be four years and that a member shall not serve in any capacity for more than two consecutive terms. The legislation provides that seven ordinary members of the Board shall be nominees of bodies considered by the Minister to represent particular sectors of the industry, selected at a general meeting of that body specially convened for that purpose. The legislation also provides that the Minister may approve alternative arrangements for the election of persons to be nominated to the Board where the need arises.


A copy of the relevant Section of the Horse Racing Ireland Act, 2016 is **attached**.

14. The percentage of the 247 full-time equivalents at HRI earning a salary in excess of €25,000 per annum

Of the 247 full-time equivalent staff in Horse Racing Ireland in 2019, all were in receipt of a salary of at least €25k per annum.

I trust this information is of assistance to the Committee, but if any further clarification is required, please do not hesitate to contact me.

Yours sincerely

A handwritten signature in dark ink, appearing to be 'B. Kavanagh', with a long horizontal stroke extending to the right.

Brian Kavanagh
Chief Executive



Grattan Business Centre,
Old Dublin Road,
Portlaoise,
Co. Laois.

30th May 2018

Mr Brian Kavanagh
Chief Executive Officer
Horse Racing Ireland
Ballymany
Co Kildare

Re: Exemption from Disclosure – Code of Practice for the Governance of State Bodies 2016

Dear Brian

Following your recent request for exemption from disclosure of the number of employees whose total benefits (excluding employer pension costs) for the reporting period fell within each band of €25,000 from €50,000 upwards as required under the Code of Practice. The Department consider that, as HRI is a commercial state body, it is acceptable for more detailed data on employee pay bands **be included in the Chairperson's report to the Minister** in lieu of inclusion of this information in the annual report and financial statements given its commercial sensitivity. It is also considered that there may be data protection issues if, for example, only one employee falls within a certain band – however, that is not discernible to us at this stage. As you know, the more detailed levels of pay bands are required under the Code so their provision in the Chairmans letter would be providing the relevant information to the Department but not into the public domain.

In permitting this exception, I have to remind you that it would be necessary for HRI to insert an appropriate 'comply or explain' statement. The sample Statement of Compliance, in the Guide as mentioned above, provides sample text that could be included where employee pay bands data is not being disclosed due to the commercial sensitivity of the information, as follows:

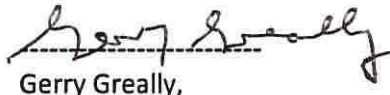
Where the State body has not fully complied with all the requirements of the Code, this should be stated in the following format:

"[Name of State body] has complied with the requirements of the Code of Practice for the Governance of State Bodies, as published by the Department of Public Expenditure and Reform in August 2016, with the following exceptions:

[Details of exception, e.g. [Name of State body] does not disclose details of the number of employees whose total employee benefits (excluding employer pension costs) for the reporting period fell within each band of €25,000 from €50,000 upwards in their annual report and/or financial statements due to the commercial sensitivity of this information. This departure from the Code has been agreed with [Name of Department]]."

Should you require any further clarification on this matter please contact me. With regard to the other derogations you have applied for, these are still under consideration and we will revert shortly.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Gerry Greally', written over a horizontal dashed line.

Gerry Greally,

Senior Inspector.

Total Employee Benefits for the year 2019

| Range | Number of employees | |
|--------------------|---------------------|-------------|
| | 2019 | 2018 |
| 60,000 to 69,999 | 22 | 21 |
| 70,000 to 79,999 | 15 | 14 |
| 80,000 to 89,999 | 5 | 2 |
| 90,000 to 99,999 | 4 | 2 |
| 100,000 to 109,999 | - | 2 |
| 110000 to 119,999 | 1 | - |
| 120,000 to 129,999 | 3 | 5 |
| 130,000 to 139,999 | 1 | - |
| 140,000 to 149,999 | 1 | 2 |
| 150,000 to 159,999 | 2 | 2 |
| 160,000 to 169,999 | 2 | 1 |
| 170,000 to 179,999 | - | - |
| 180,000 to 189,999 | - | - |
| 190,000 to 199,999 | 1 | 1 |
| | <hr/> 57 | <hr/> 52 |
| | <hr/> <hr/> | <hr/> <hr/> |

Horse Racing Ireland Act 2016

Membership of HRI

4. (1) The following is substituted for the Schedule (as amended by the Horse Racing Ireland (Membership) Act 2001) to the Act of 1994:

"SCHEDULE

ection 9

Horse Racing Ireland

1. HRI shall be a body corporate with perpetual succession and an official seal and power to sue and be sued in its corporate name and to acquire, hold and dispose of land or an interest in land and to acquire, hold and dispose of any other property.
2. HRI shall consist of a chairman and 13 ordinary members.
3. The chairman and ordinary members of HRI shall be appointed by the Minister having regard to creating a balance between the different interests in the horseracing industry.
4. The chairman may at any time resign his or her office by letter addressed to the Minister.
5. The Minister may at any time remove the chairman from office.
6. Subject to this Schedule, the chairman shall hold office on such terms and conditions as the Minister may determine.
7. (1) There shall be paid by HRI to the chairman such remuneration and allowances (if any) for expenses as HRI thinks fit, subject to the approval of the Minister given with the consent of the Minister for Public Expenditure and Reform.

(2) In determining the remuneration or allowances for expenses to be paid to its chairman, HRI shall have regard to Government or nationally agreed guidelines which are for the time being extant or to Government policy concerning remuneration and conditions of employment which is so extant, and, in addition to the foregoing, HRI shall comply with any direction regarding such remuneration, allowances, terms or conditions which the Minister may give from time to time to HRI with the consent of the Minister for Public Expenditure and Reform.

8. (1) Of the ordinary members of HRI—

- (a) 3 shall be nominees of the Racing Regulatory Body,
- (b) one shall be nominated for appointment thereto by such persons as the Minister considers to be representative of authorised racecourses,
- (c) one shall be nominated for appointment thereto by such persons as the Minister considers to be representative of racehorse breeders,
- (d) one shall be nominated for appointment thereto by such persons as the Minister considers to be representative of racehorse owners,
- (e) one shall be nominated for appointment thereto by such persons as the Minister considers to be representative of racehorse trainers,
- (f) 2 shall be nominated for appointment thereto by the industry services committee—
 - (i) one of whom shall be the chairman of the committee, and
 - (ii) one of whom shall be a representative of stable staff,
- (g) one shall be nominated for appointment thereto by the betting industry being the chairman of the betting committee, and
- (h) 3 shall be chosen by the Minister for their specific skill and competencies and one of whom, at least, shall be representative of the horseracing industry in Northern Ireland.

(2) Subject to subparagraphs (3) and (4), persons nominated under subparagraph (1)(a) to (e) shall be elected at a general meeting of—

- (a) in the case of a person nominated under subparagraph (1)(a), the Racing Regulatory Body,
or
- (b) in the case of a person nominated under subparagraph (1)(b) to (e), the interest concerned,

specially convened for that purpose, upon adequate notice being given of the meeting by the Racing Regulatory Body or the interest concerned, as the case may be.

(3) In the event of a dispute in respect of any aspect of the method of election to be carried out under subparagraph (2), the Minister shall decide the method.

- (4) The Minister may, as he or she considers appropriate, decide on or approve alternative arrangements for the election of persons to be nominated under subparagraph (1) (a) to (e) to those specified in subparagraph (2) where the need arises.
- (5) Where the Racing Regulatory Body or any persons referred to in subparagraph (1)(b) to (e) fail to make a nomination by such date as the Minister may require for nominations under subparagraph (1)(a) to (e) to be given to him or her, the Minister may appoint such person, in the absence of the nomination, as he or she decides.
- (6) Nominations under subparagraph (1)(a) to (g) and appointments under subparagraph (1)(h) shall, in so far as is practicable and having regard to relevant experience, create an equitable balance between men and women.
9. Subject to this Schedule, each ordinary member of HRI shall hold office on such terms and conditions as the Minister may determine.
10. (1) The term of office of the chairman shall be 5 years.
- (2) Subject to this paragraph, the term of office of an ordinary member of HRI shall be 4 years.
- (3) A member of HRI shall not serve in any capacity for more than 2 consecutive terms.
11. (1) If a member of HRI dies, resigns, becomes disqualified or is removed from office, the Minister may appoint a person to be a member of HRI to fill the casual vacancy so occasioned and the person so appointed shall be appointed in the same manner as the member of HRI who occasioned the casual vacancy.
- (2) A person appointed to be a member of HRI by virtue of this paragraph shall hold office for the remainder of the term of office of the member who occasioned the casual vacancy he or she is appointed to fill and shall be eligible for re-appointment as a member of HRI.
12. Subject to paragraph 10(3), a member of HRI whose term of office expires by effluxion of time shall be eligible for re-appointment as a member of HRI.
13. Where a member of HRI, whose term of office has expired, has not been reappointed or may not be reappointed by virtue of having served 2 consecutive terms, the member shall continue in office until the vacancy occasioned by him or her is filled by the appointment of another person.
14. The Minister may at any time remove an ordinary member of HRI from office.
15. An ordinary member of HRI may resign his or her office as a member by letter addressed to the Minister.

16. A member of HRI shall be disqualified from holding and shall cease to hold office if he or she—
- (a) is adjudged bankrupt or is sentenced by a court of competent jurisdiction to a term of imprisonment,
 - (b) commits an offence under this Act,
 - (c) is disqualified from holding any licence, permit or authorisation granted under this Act, or
 - (d) is the subject of an exclusion notice under section 62.
17. Each ordinary member of HRI shall be paid, out of moneys at the disposal of HRI, such remuneration (if any) and allowances for expenses incurred by him or her (if any) as HRI may with the consent of the Minister and the Minister for Public Expenditure and Reform determine.
18. HRI shall hold such and so many meetings as may be necessary for the due execution of its functions.
19. The quorum for a meeting of HRI shall be 7.
20. At a meeting of HRI—
- (a) the chairman shall, if present, be the chairman of the meeting, and
 - (b) if and so long as the chairman is not present or if the office of chairman is vacant, the members of HRI who are present shall choose one of their number to be chairman of the meeting.
21. The chairman and each ordinary member of HRI present at a meeting thereof shall have a vote.
22. Every question at a meeting of HRI shall be determined by a majority of the votes of the members present voting on the question and, in the case of an equal division of votes, the chairman of the meeting shall have a second or casting vote.
23. HRI may act notwithstanding one or more than one vacancy among its members.
24. Subject to this Schedule, HRI shall regulate by standing orders or otherwise the procedure and business of HRI.
25. The seal of HRI shall be authenticated by the signature of the chairman or some other member thereof authorised by HRI to act in that behalf and the signature of an officer of HRI authorised by HRI to act in that behalf.

26. Judicial notice shall be taken of the seal of HRI and every document purporting to be a regulation, directive or other instrument made by HRI and to be sealed with the seal of HRI shall be received in evidence and be deemed to be such instrument without proof unless the contrary is shown.”.

(2) On the commencement of this section:

(a) 2 members of HRI representing the Racing Regulatory Body, who were such members immediately upon such commencement, shall cease to be members of HRI and the Minister shall be informed of their names by the Racing Regulatory Body. If the Racing Regulatory Body fails to so inform the Minister within 21 days of the commencement of this section, the Minister shall remove 2 members representing the Racing Regulatory Body at the Minister’s discretion;

(b) the members of HRI who were nominated by—

(i) authorised bookmakers, and

(ii) persons employed in the horseracing industry,

who were such members immediately upon such commencement shall continue to be members of HRI for 3 months from such commencement following which the chairman of the industry services committee and chairman of the betting committee shall replace those members. If the industry services committee or the betting committee fail to elect a chairman within that period of time, the Minister shall appoint a person to HRI to act for such interests until such time as a chairman is elected.