

# PUBLIC STATEMENT

Monday 18 December 2023



## Investigation into allegations of conflict at interest at Harness Racing Victoria

### Background

In November 2023, Harness Racing Victoria referred a matter to the Racing Integrity Commissioner concerning serious allegations about its CEO, Mr Matthew Isaacs, and the operation of its integrity department. Specifically, that Mr Isaacs:

- awarded a professional services contract to a company whose sole director was a close, personal friend and part-owner of *The Lost Storm* (**contract**)
- improperly lobbied for the nomination of *The Lost Storm* in the Eureka slot race conducted at Menangle Park in NSW on 2 September 2023 (**Eureka nomination**)
- interfered in a stewards' inquiry about *Major Moth's* participation in the Geelong Pacing Cup on 21 October 2023 (**stewards' inquiry**)
- interfered in the pre-race swabbing and post-race testing of *Mach Dan* who won the Geelong Pacing Cup on 21 October 2023 (**swabbing**).

The Commissioner investigated these matters under section 37B(1)(e) of the *Racing Act 1958* (Vic) and conducted interviews with a number of controlling body employees, contractors, participants, and representatives of relevant entities. Key records, including veterinary reports and mobile phone records, were also obtained and examined.

### Findings

The Commissioner has found no evidence to substantiate any of the allegations against Mr Isaacs or the operation of the integrity department. Mr Isaacs appropriately declared the relevant private relationship and potential conflict of interest with Harness Racing Victoria both prior to, and upon, his commencement as the CEO of Harness Racing Victoria. Specific findings about each allegation are set out below.

#### *Contract*

Mr Isaacs again declared the relationship and potential conflict at the commencement of Harness Racing Victoria's procurement process for relevant professional services. There is no evidence that Mr Isaacs was involved in any aspect of that procurement, or that he sought to influence the process or decision to award the relevant contract. The Commissioner is satisfied the procurement was conducted independently of – and at arm's length from – Mr Isaacs at all times. It followed a competitive process in accordance with Victorian public sector requirements and Harness Racing Victoria's financial delegations.

#### *Eureka nomination*

*The Lost Storm* is trained by Ms Emma Stewart. The Commissioner found no evidence that Mr Isaacs played any role in the slot owner's decision to nominate this horse in the Eureka, and notes that it is otherwise a commercial matter for the slot owner to determine which horse should run.

#### *Stewards' inquiry*

*Major Moth* is also trained by Ms Stewart. The Commissioner found no evidence that Mr Isaacs had any contact with the trainers or connections of *Major Moth*, or stewards, about the veterinary inspection conducted on the horse prior to the Geelong Pacing Cup and the related stewards' inquiry on 21 October 2023. There is no evidence that Mr Isaacs sought to interfere with, or was otherwise involved in, the decision of race day stewards to allow *Major Moth* to participate in the Geelong Pacing Cup, or that Mr Isaacs was aware of the stewards' inquiry until allegations about his involvement were publicly raised in November 2023. The Commissioner considers that the veterinarian inspection of *Major Moth* on 21

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October 2023 was conducted professionally and in accordance with the rules. On the available evidence, it was open to the raceday stewards to permit the horse to run in the Geelong Pacing Cup.

### *Swabbing*

*Mach Dan* is trained by Ms Stewart. Prior to the Geelong Pacing Cup, stewards were aware the horse had been placed on the HRNSW Elevated TCO2 list. In the absence of a harmonised national approach and mutual recognition of the NSW policy, Harness Racing Victoria appropriately followed its own TCO2 policy and procedure. This resulted in stewards taking a pre-race blood swab and post-race urine analysis after the running of the Geelong Pacing Cup. Mr Isaacs played no role in the stewards' actions.

### *Other*

During his investigation, the Commissioner learned that Tonkin Stewart Racing had contacted stewards after the Geelong Pacing Cup to raise concerns about the veterinary inspection conducted on *Major Moth* and subsequent stewards' inquiry. Appropriately, stewards did not apprise Mr Isaacs of this complaint. The Commissioner found no evidence that Mr Isaacs ever directed any veterinary staff to not examine, treat or take samples from any horse trained by Tonkin Stewart Racing.

The Commissioner established that the allocation of race day veterinary inspections for Tonkin Stewart Racing horses at the Breeders' Crown race meeting on 25 November 2023 were determined by the raceday stewards, without input from anyone else. The Commissioner is satisfied that all Tonkin Stewart Racing horses participating in the Breeders' Crown underwent appropriate veterinary inspections, and had samples taken, in accordance with standard procedure for feature races. There is no evidence that Tonkin Stewart Racing received any advantage from the stewards' allocation of veterinary staff during this meet.

### **Recommendations**

Notwithstanding these findings, the Commissioner considers that Harness Racing Victoria's processes and systems for identifying and managing conflicts of interest are not as robust as they should be. The Commissioner will therefore make recommendations to the controlling body to ensure its systems and processes are in line with the Victorian Public Sector Commission's guidance in this area. Additionally, the Commissioner considers that there are improvements that can be made to Harness Racing Victoria's complaint handling systems and processes and will also make recommendations to the controlling body about this.

The Commissioner acknowledges the transparency of Harness Racing Victoria and its commitment to maintaining high standards of integrity, through its initial referral of the allegations and full cooperation with the investigation, including making witnesses available and providing all relevant records. Due to the nature of the matters raised, the Commissioner does not intend to make any further public comment about the allegations or his investigation.

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