

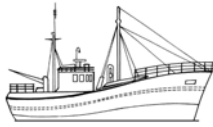
**Northern Ireland  
Fishery Harbour  
Authority  
(NIFHA)**

**Update of  
Corporate Plan  
(2010-2014)**



November 2010





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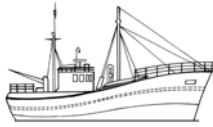
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This document is available on request in alternative formats including large font, audiocassette, braille and computer disc. Please see details overleaf.

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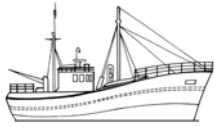


To receive this document in an alternative format please contact the Authority as follows:-

Northern Ireland Fishery Harbour Authority  
3a St. Patrick's Avenue  
Downpatrick  
BT30 6DW

Tel : 028 4461 3844  
Fax : 028 4461 7128  
Textphone : 078 1133 9401  
e-mail : [info@nifha.co.uk](mailto:info@nifha.co.uk)

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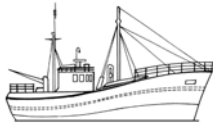
**NIFHA**

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# 1 INTRODUCTION AND BACKGROUND

## 1.1 Introduction

The Northern Ireland Fishery Harbour Authority's (NIFHA's) previous Corporate Plan covered the period 2004-2007. A review and update of this plan was delayed pending the outcome of the Review of Public Administration (RPA) process.

Following the conclusion of the RPA process and the development of other strategies/policy pronouncements relevant to the fisheries sector, NIFHA has produced this Corporate Plan, which covers the period 2010 to 2014.

This Corporate Plan sets out NIFHA's vision, aim, key objectives and activities to meet those key objectives. It also reflects feedback obtained from the key stakeholders on the future direction of the organisation. The following section provides an overview of the role, structure and current activities of NIFHA.

## 1.2 Overview of NIFHA

### 1.2.1 Function and Activities

NIFHA is an Executive Non-Departmental Public Body (Executive NDPB) sponsored by the Fisheries Division of the Department of Agriculture and Rural Development for Northern Ireland (DARD).

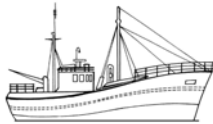
It is a statutory body established in 1973 under the Harbours Act (NI) 1970 and the Northern Ireland Fishery Harbour Authority Order (NI) 1973, and is responsible for the three fishery harbours and harbour estates of Ardglass, Kilkeel and Portavogie. The primary functions of the Harbour Authority are:

- to manage, maintain and improve the harbours and harbour estates;
- to operate such facilities as may be provided at the harbours;
- to dredge and maintain the harbour berths, channels and entrances;
- to lease, dispose of or develop land vested in the Authority; and
- to make Bye-Laws to control the day-to-day running of the harbours and associated facilities.

The NIFHA is primarily responsible for ensuring that all on-shore and marine activities within port limits are carried out safely and efficiently and that harbour facilities are maintained and improved in an effective manner.

In terms of service provision the Authority has 4 key areas of operation:-

- the provision of safe navigation channels and berths;
- the provision, operation and management of fishmarket facilities;
- the provision of slipway facilities for vessel maintenance and repair; and
- estate management and development.



### **1.2.2 Organisational Structure**

NIFHA is managed by a Board consisting of a Chairman, the Chief Executive and between four and eight other Members. The Chairman and Members are appointed by DARD and are non-executive.

The Board has four sub-committees – Audit, Corporate Planning, Finance and General Purposes and Remuneration. The Audit sub-committee provides objective advice to the Chief Executive and the Board on corporate governance, risk management and internal control issues.

The Chairman and Board Members have overall responsibility for the corporate strategy and governance of the Authority and for setting aims and objectives. The Corporate Plan is normally updated every 4 years and the process involves the continuous monitoring and review of performance with a view to ensuring that overall aims and objectives are achieved. Annual Business Plans are derived from and consistent with the Corporate Plan.

As at 1 January 2010, NIFHA employed 14 operational and maintenance staff and 7 administrative staff. A copy of NIFHA's organisational chart is attached as Appendix 1 for reference. NIFHA's head office is located in Downpatrick and there are offices at each of the three harbours.

### **1.2.3 Income Sources & Trends**

NIFHA's income generation is almost totally dependant on the local sea fishing industry and until recent years the Authority had been successful in meeting its running costs from a levy on the value of fish landings and from service provision charges (e.g. berthing dues, ice sales, slipway charges and rental income).

However, factors outside NIFHA's control (e.g. EU quota controls, changed patterns of fishing and a reduction in the size of the fleet) have now reduced the ability of NIFHA to generate sufficient operating income to meet its running costs.

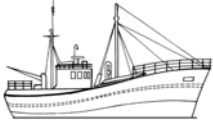
With the payment of hardship funding to fishermen in 2009, DARD recognises that NIFHA is not in a position, in the short-term, to recover its full operating costs from port users. NIFHA has therefore applied to DARD for 'Grant-in-Aid' funding.

NIFHA's capital expenditure is 100% grant funded by DARD from Central Government and EU sources.

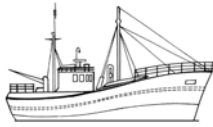
### **1.2.4 External Stakeholders/Client Groups**

In carrying out its functions/duties, NIFHA interacts with a broad range external stakeholders/clients groups, these include:

- NIFHA's sponsor Department – the Department of Agriculture and Rural Development (and through DARD the Strategic Investment Board and the Department of Finance and Personnel);
- Other relevant public bodies e.g. the Northern Ireland Environment Agency, the Health and Safety Executive (HSE) , the Maritime and Coastguard Agency (MCA), and the local councils in which harbours are located (i.e. Ards Borough Council, Down District Council and Newry and Mourne District Council);
- Environmental Health Officers;
- Locally elected representatives;
- The fishing industry/Producer Organisations;
- Fish processors;



- Fish auctioneers/sellers;
- Ancillary service providers (including existing tenants); and
- Other port users.



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## 2 THE PLANNING CONTEXT

### 2.1 Introduction

The following section provides an overview of the strategic/policy context within which NIFHA is operating, as well as detailing key market and operational factors that are likely to impact upon the organisation's future work programme.

### 2.2 Strategic/Policy Context

Key areas of strategy/policy influencing NIFHA's future activities are as follows:

**EU Fisheries Policy** – EU Common Fisheries Policy (CFP) decisions relating to quotas, days at sea restrictions and minimum landing sizes have a direct impact on the local fishing fleet. As the NI catch is dominated by nephrops (prawn), restrictions relating to the prawn fishing have the greatest impact on the local catching sector. In December 2009, the EC Fisheries council imposed a further reduction of 9% in the Irish Sea nephrops quota. CFP restrictions limit the level of landings produced by the local fishing fleet, which impacts directly on NIFHA's income generation.

**European Fisheries Fund** – In 2008 DARD formalised its Investment Plan for the European Fisheries Fund (EFF), which will provide grant funding to the industry in the period 2009 to 2013. Funding of £3.5 million has been earmarked from the EFF for capital works improvements at the fishery harbours. NIFHA has previously accessed EFF funding for works to its harbours and is well placed to access further funding via future tranches of the Fund, where applicable/available.

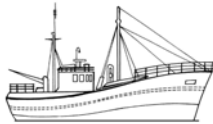
**Review of Public Administration (RPA)** – In March 2006, the RPA identified that that NIFHA's functions would be transferred to Local Government. However, since that announcement, a review of the NIFHA's transfer under RPA concluded that the responsibilities would not transfer to Local Government, but would remain with NIFHA. However, a need for improved accountability to local government was recognised and DARD is developing proposals to facilitate a greater role for local government in the management of fishery harbours.

**DARD Strategy** – The aims of DARD Fisheries Division are:

- to pursue the best interests of the fisheries and aquaculture industries in Northern Ireland in the development and operation of local, UK and EU fisheries and environmental policies; and
- to assist the provision of cost effective fisheries infrastructures.

In support of the above, DARD Fisheries Division has a key objective of promoting sustainable development of the sea fishing industry. The provision of safe and modern harbour facilities is a key element of DARD's policy for the sustainable development of the sea fishing industry in Northern Ireland and therefore DARD Fisheries Division aims and objectives are complemented by the Authority's Corporate and Business Plan objectives.

**Fisheries Forum Strategy** – In April 2008, the Minister for Agriculture and Rural Development announced the establishment of the Fisheries Forum. The Forum, which drew together a wide spectrum of experience and expertise from the fishing industry and the marine environment, was charged with formulating a long term strategy to develop a sustainable and profitable future for the sector. In June 2010, the Forum produced a strategy report. This report contained recommendations under the following headings: Stakeholder relations; Marketing and marketing development; Fleet capacity and development; investment in harbour infrastructure; Aquaculture inshore fisheries; and Marine environment and conservation. Recommendations that are likely to be of relevance to NIFHA include, but are not limited to:



- 
- *“More formalised arrangements should be put in place to ensure that all stakeholders are able to make the expected contribution and commitment”;*
  - *“DARD should urgently consider the development of a decommissioning scheme...”;*
  - *“There should continue to be appropriate investment in harbour facilities to support a restructured and modernised fleet at least at the levels proposed in the EFF Investment Plan (£3.5m)”;*
  - *“Government should ensure that all sections of the industry are aware of relevant environmental policy developments and have the opportunity to input into these and to receive adequate notice to take account of the need to implement environmental obligation”;*
  - *“All stakeholders must be fully involved in the proposed designation of marine protected areas”;*  
*and*
  - *“DARD should work with stakeholders to develop long term management plans for the main commercial fisheries as a key priority”.*

### **Environmental Legislation**

NIFHA is responsible for ensuring that all on-shore and marine activities are compliant with existing environmental legislation. This legislation includes, but is not limited to: the Water (NI) Order 1999; Pollution Prevention and Control Regulations (Northern Ireland) 2003; the Waste and Contaminated Land Order (NI) 1997; Controlled Waste (Duty of Care) Regulations (NI) 2002; Waste Management Licensing Regulations (NI) 2003; Hazardous Waste Regulations (NI) 2005; and, the the Food and Environmental Protection Act 1985.

In addition to the above, recent additions to the legislative framework have included:

- **UK Marine and Coastal Access Act 2009** – The provisions of the UK Act which extend to Northern Ireland relate to: The UK-wide Marine Policy Statement; Marine planning in the offshore region of the Northern Ireland zone; Certain aspects of the marine licensing reforms – primarily the replacement of the Food and Environment Protection Act 1985 – and its enforcement; and Consultation arrangements for the potential designation of Marine Conservation Zones (MCZs) outside Northern Ireland’s territorial waters; and
- **UK-wide Marine Strategy Regulations 2010** replacing the Marine Strategy Framework Directive (2008/56/EC) – The European Marine Strategy Framework Directive was transposed into UK legislation on 15 July 2010. The Directive requires Member States to prepare national strategies to manage their seas to achieve or maintain Good Environmental Status (GES) by 2020.

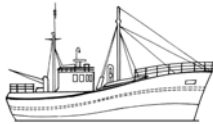
The following proposed legislation is also likely to impact on NIFHA’s future operations:

- **Northern Ireland Marine Bill** – The NI Marine Bill will establish a new framework for NI seas which will aid sustainable development and ensure better regulation. The framework will be based on the following three elements:

**1) New system of marine planning that will balance conservation, energy and resource needs:**

- Provide greater certainty for marine developers and marine users; maximise the social, economic and environmental value of the marine resource; and ensure sustainability.
- Two-tier approach to marine planning: a single plan covering its inshore and offshore regions, with the power to create more localised plans where appropriate.

**2) Further streamlining of marine licensing beyond that already provided for in the UK Act; and**



- Reduce the regulatory burden on developers by further streamlining and modernising the marine licensing and consents system in addition to those improvements already established by the UK Act.
- Ensure the delivery of faster and clearer decisions; sustainable economic development; and enable regulators to consider the wider benefits of a development alongside its potential impacts.

### 3) Improved management for marine nature conservation.

- New national designation regime that would further protect and enhance Northern Ireland's marine wildlife and habitats.
- These designations, to be known as Marine Conservation Zones, will be flexible in terms of their level of protection, boundaries etc, and will take into account any social and economic factors relating to the site.

The NI Marine Bill is expected to be introduced to the Northern Ireland Assembly in 2011.

- **Control of Pollution (Oil Storage) Regulations (Northern Ireland)** – the Department of the Environment for Northern Ireland (DOE) is developing new regulations to introduce minimum requirements for new and existing above ground oil storage facilities. A key requirement of the regulations will be for all oil storage tanks over 200 litres to be stored in a bund that can contain the contents of the tank if it leaks. This will impact on oil storage provision made by NIFHA or its tenants and are expected to come into force early 2011;

The above highlights that, in fulfilling its duties, NIFHA operates within an increasingly wide ranging and complex legislative framework. Recent additions to this framework (e.g. Marine and Coastal Access Act (2009) and Marine Strategy Regulations 2010) have further highlighted a requirement for the fishing industry, and by association NIFHA, to contribute to improved water quality in Northern Ireland's territorial waters. Aspects of this legislation also have a direct impact on NIFHA's own operations e.g. dredging activities.

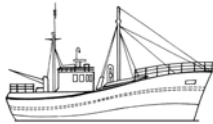
In January 2010, NIFHA commissioned an independent environmental review of its three harbours and is developing an Environmental Improvement Plan to address the issues highlighted by the Review.

### Health and Safety Legislation

In fulfilling its duties in relation to Health and Safety, NIFHA maintains an integrated on-shore and off-shore safety management system, which is subject to audit/review by the HSE and MCA, respectively.

The UK Department of Transport's (DfT) "Port Marine Safety Code" (October 2009), which applies to all harbour authorities, has been developed to improve safety in UK ports and to enable harbour authorities to manage their marine operations to nationally agreed standards. It provides the standard against which the policies, procedures and the performance of harbour authorities can be measured. It also describes the role of board members, officers and key personnel in relation to safety of navigation and summarises the main statutory duties and powers of harbour authorities. The Code is supplemented by the DfT's "Guide to Good Practice for Marine Operations" (amended 2009), which provides guidance and examples of how a harbour authority can meet its commitments in terms of compliance with the Code.

During the period of this Corporate Plan NIFHA will ensure that its Health and Safety processes/systems continue to reflect best practice, so that a safe working environment is provided for staff and port users and in all areas accessible by the public.



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## Equality, Good Relations and Disability Duties

As a designated public body under Section 75 of the Northern Ireland Act 1998 the Authority has a statutory duty to promote equality of opportunity between the nine Section 75 categories and to promote good relations between persons of different religious belief, political opinion and racial group.

In addition the Authority has duties under the Disability Discrimination Act 1995 and it operates a Disability Action Plan as required under the Disability Discrimination (NI) Order 2006.

The Authority is committed to 'mainstreaming' these duties and to training its staff so that the duties can be implemented effectively on a day to day basis.

In April 2010 the Equality Commission issued revised guidance on the implementation of Section 75. As a consequence the Authority will be required to revise its Equality Scheme and it is anticipated that this will have to be completed by 31 March 2012. This revision will require an 'Audit of Inequalities' to inform the drafting and implementation of a new action plan with specified and measurable targets.

## 2.3 Market Context

Market/competitive issues impacting on NIFHA's future income generating potential include:

### NIFHA's Competitive Position

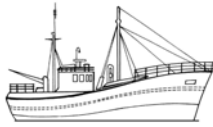
NIFHA's three harbours are strategically well placed for access to the Irish Sea and the North Channel fishing grounds. As at December 2008, 61% of the Northern Ireland fleet (both over and under 10m vessels) is registered at NIFHA ports and 80% by value of the fleet's catch is landed at NIFHA ports. This represents the highest degree of concentration of fishing effort in the Irish Sea and the fact that the three ports are operated by a single Authority has advantages in terms of complementarity and interdependence.

NIFHA's main competing ports are Bangor, Fleetwood, Whitehaven, Campbeltown, Troon and Ayr. Despite their geographic location, the three Northern Ireland ports are known to be highly competitive in UK terms. The key influencing factors are the strength of the dependent markets and the quality of the product. The key market outlets are from within Northern Ireland i.e. the scampi catering market as well as the mainland wholesale markets in Humberside and elsewhere. However, it should be noted that due to EU effort and quota controls a number of Northern Ireland's larger trawlers are taking a more flexible approach and are fishing in more distant waters (e.g. North Sea) for part of year. In these circumstances landings are lost to NIFHA and Northern Ireland ports.

### The Market for Fish Products

Key points to note in relation to demand for fish, and specifically Northern Ireland fish products are:

- Long term forecasts predict an increase in demand for fish products – e.g. the Keynote Market Report, "Fish and Fish Products, 2004", cites Federation of European Aquaculture Producers projections stating that global fish consumption will rise by 25% by 2030;
- key drivers of long term growth in fish consumption include: global population growth; increased affluence of developing economies, the associated increase in demand for essential proteins/increased expenditure on food; and, the health benefits associated with fish/fish products;
- the NI fish catching and processing industry is dominated by prawn landings, which are largely used to produce a commodity 'scampi' product, which impacts negatively on the prices achieved for the local product; and



- the current economic recession is having a significant impact on final consumer prices and consequently this is impacting on processor prices. Further pricing pressure is resulting from the move by consumers from eating out to eating at home, thereby reducing demand for product by restaurants and hotels and depressing prices achieved for local product.

## 2.4 Operating Context

Other key issues likely to impact on NIFHA's future operations include:

### Changing Structure of the NI Fleet

Over the period 2002 – 2008 there has been an increase of in the number of vessel in the Northern Ireland fleet (+32). This change reflects a significant increase in the number of under 10m vessels in the Northern Ireland fleet (+37 vessels), although it is understood that some of this increase is due to Republic of Ireland fishermen buying UK vessels or licences and registering their vessels in Northern Ireland. In the same period, the over 10m fleet decreased by 5 vessels (though numbers have increased over the past 2 years) but there have been some changes in the number of vessels at the 3 fishing ports. The Ardglass fleet increased by 7 vessels, Kilkeel decreased by 11 vessels and Portavogie by 2 vessels. Generally the fleet is comprised of ageing vessels, with 47% of vessels over 30 years old. This high age profile raises a number of important issues for the local fleet and NIFHA, particularly with regard to health and safety and environmental performance.

### Fleet Capacity/Fleet Futures Report

In 2006 the final report of the Northern Ireland Fleet Futures Analysis (2004 – 2013) was published (consistent with a similar review undertaken for GB). This report analysed the status of the Northern Ireland fishing fleet in 2004. Using a methodology which linked together Total Allowable Catch, costs, profit, size and the acceptable normal average profit per vessel, an analysis was made of the likely state of the Northern Ireland fishing fleet in 2013. At that time the report concluded that under three scenarios ('optimistic', 'best guess' and 'pessimistic'), the semi-pelagic whitefish fleet that could operate profitably, sustainably and within the constraints of quota management in the future would be smaller. In addition, the model also predicted that the twin-rig Nephrops trawl segment would have to diminish in size by 2013 for all vessels to fish legally and profitably. The 'best guess' analysis also predicted a reduction in the number of single-rig vessels fishing for Nephrops, despite the fact that under the same scenario, Nephrops quota would increase by 30% on 2004 levels.

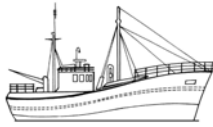
The Fleet Futures model was updated in 2009. The updated model suggests that there is a significant mismatch between the size of the current fleet and the fishing opportunities available to it. Even under a best guess scenario the model suggests that to have a sustainable local fleet that is capable of making reasonable profit would need to reduce in size by some 50%. However market prices are key and a reduction in the fleet size of this magnitude would have a huge impact on the shore based sector since the remaining fleet would be unable to double their catch to maintain continuity of supply.

A significant change in the volume of landings and/or viability of the shore based sector would have significant implications for income generation by NIFHA.

### Public Sector Funding Environment

Last year, Public Sector Net Borrowing was the largest in Britain's peacetime history. In October 2010, the UK Government announced the results of a Comprehensive Spending Review for the period 2010/11 to 2014/15, which aimed to address this record deficit level. The result of this review means that Northern Ireland's block grant, which is currently in the region of £9.3 billion, will experience an accumulative fall of 6.9 per cent in real growth over the next four years. The local capital budget has also been reduced from £1.2 billion in 2010 to £0.8 billion by 2014-2015 (a cut in real terms of 37 per cent).

At the time of writing this Corporate Plan, the Northern Ireland Executive was in the process of preparing a Draft Budget to address the implications of these reduced funding levels. The budget will



involve an assessment of the continued need for expenditure across the public sector and the identification of cost reduction measures.

### **Kilkeel Safety Breakwater**

In February 2010, DARD appointed independent consultants to carry out an Economic Appraisal/Business Case of a proposal to construct a £15m breakwater to improve navigational safety at the entrance to Kilkeel Harbour, particularly in poor weather conditions. The draft report confirms the findings of previous assessments (e.g. the Quinquennial review of NIFHA (2003) and the review of NIFHA facilities undertaken as part of the 2006 RPA review) that, for the foreseeable future, NIFHA will be required to maintain operations at the 3 ports for which it has a statutory responsibility to maintain, i.e. Ardglass, Kilkeel and Portavogie. A final draft of this Business Case, which is being carried out on the basis that 'doing nothing' is not an option, recommends that an enhanced safety management system should be established at Kilkeel harbour in order to improve navigational safety. The development and implementation of this enhanced safety management system, or of any 'do-something option, will have resource implications for both NIFHA and DARD.

### **Ice Supplies**

Tonnage sales of ice have declined by 54% over the past 9 years. The decline has been most marked in Kilkeel where sales have declined by 69% in this period. The reasons for this decline include: the installation of on-board ice makers on fishing vessels; reduced white fish quotas and thereby reduced landings; reduced vessel numbers particularly in the white fish sector; increasingly tight operating margins for vessels forcing economies to be made; and increased number of vessels operating in waters distant from NIFHA ports for longer durations. With the continuing reduction in landings and vessel numbers, it is expected that ice sales will continue to decline. In view of the fact that considerable expenditure is required within 2 years to upgrade the Ardglass and Kilkeel ice plants, the Authority carried out a strategic review of its ice making and supply businesses. As a result of this review the Authority decided to sell its three ice-making plants which were advertised for sale in the third quarter of 2008/09. To date the sale process has not resulted in any acceptable bids. The main reasons for this are the financial difficulties facing the industry and the uncertainty over future quota levels and fishing opportunities.

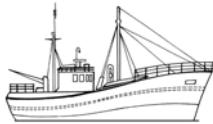
### **Dredging**

A key function of NIFHA is to maintain navigational safety by dredging approach channels and berths. NIFHA has its own dredger "MD Kilmourne" (based at Kilkeel) where regular dredging of the harbour entrance and inner basin is required to keep the port open. The dredger is also used at Ardglass and Portavogie but on a less frequent basis determined by need which is generally every 3 years. As the "Kilmourne" is in need of a major refit costing in the region of £500k a benchmarking exercise using external contractors was carried out in 2009-10. While the external contractors performed reasonably well it became evident that there was a very limited number of contractors in the market with the capability of meeting the relatively low volume, yet specific and regular, dredging needs of the Authority and of Kilkeel Harbour in particular. Further trials carried out with a hired-in long reach excavator fitted to the deck of the Kilmourne confirmed that the vessel was cost effective compared to a contracted in service. In November 2010, the Authority was granted EFF funding to upgrade the Kilmourne.

### **NIFHA's Recent Performance**

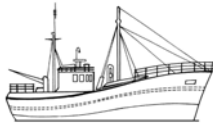
Audited accounts for the year ended 31 March 2010 identify that NIFHA produced a deficit after tax of £573,390 compared to £255,528 in its previous year. However, it has been recognised by DARD that NIFHA has an established track record of effective management, cost control and compliance, which has helped mitigate the impact of falling revenues on the organisation.

Examples of cost reduction/efficiency saving and income generating measures that have been adopted by NIFHA include:



- ensuring that Health and Safety considerations are taken fully in to account when harbour facilities are upgraded in order to reduce the Authority's public and employee liability exposure;
- ensuring effective use of staff – i.e. ensuring that staff numbers and staff training is matched with operational requirements;
- reducing wastage of electricity and water and recovering the cost of these utilities;
- improving waste management i.e. reducing / reusing / recycling and implementing the 'polluter pays' principle;
- ensuring that new plant and equipment is more efficient e.g. the use of energy efficient high tower lights in Portavogie;
- optimising asset return and utilisation; and
- diversifying the tenant and user base in the harbour estates.

In addition to the above, NIFHA has carried out a review of its asset base and has identified that it currently has no assets of realisable value which are 'surplus to requirements'.

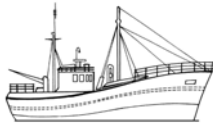


### 3 SUMMARY OF KEY CHALLENGES

The analysis presented within this Plan identifies a range of factors that will present NIFHA with significant challenges over the 2010 – 2014 planning period. In summary, these include:

- The financial difficulties/uncertainties facing the industry and the government directive to achieve full cost recovery for service provision;
- A restrictive public sector funding environment and the likelihood that any agreement to provide Grant-in-Aid funding will be conditional on an Efficiency Plan which achieves a break-even position by 2013/14;
- A need to continuously improve and implement effective health and safety and environmental management systems and operational procedures;
- To secure capital funding to maintain and upgrade the Authority's asset base which is valued at £52 million on a replacement cost basis;
- A requirement to obtain renewed funding for the Authority's two Project Managers for 2 years from 01 January 2012;
- A requirement to promote and implement best practice operating procedures in all areas of activity; and
- An ongoing requirement to meet the full suite of public sector compliance demands by a small management team.

Consultation with key stakeholders of NIFHA has identified a wide ranging acknowledgement of the constraints that the organisation works within, and of the challenges that it faces. These consultations also highlighted that in order to meet these challenges, NIFHA should further develop support and confidence within the local fishing and related industries for its future activities, and that it should work positively with the local industry, DARD and other public bodies to promote sustainable economic development in the harbour estates for which it is responsible.



## 4 VISION, OBJECTIVES AND FUTURE ACTIVITIES

### 4.1 Corporate Vision and Aim

NIFHA's vision is:

*“to facilitate sustainable wealth creation in the harbour areas for which it is responsible”.*

The aim of the organisation is:

*“to fulfil its statutory duties by safely, efficiently and sustainably providing a range of facilities and services which meet the needs of its key stakeholders”.*

### 4.2 Corporate Objectives

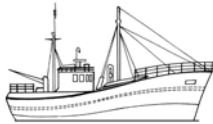
In order to realise the above vision/aims, NIFHA will pursue the following strategic objectives:

<b>Objective 1:</b>	<b>To provide safe and modern harbour facilities which are efficiently managed, well maintained and cost effective</b>
<b>Objective 2:</b>	<b>To maintain an economically sustainable approach to fulfilling NIFHA’s statutory duties</b>
<b>Objective 3:</b>	<b>To work with key stakeholder groups to facilitate sustainable economic development in the harbour areas</b>
<b>Objective 4:</b>	<b>To maximise the use of all available resources in fulfilling NIFHA’s aims and objectives</b>
<b>Objective 5:</b>	<b>To adopt ‘best practice’ procedures on corporate governance and accountability and to effectively address all legal responsibilities</b>

### 4.3 Business Strategies

In pursuing the above aims and objectives, NIFHA will use the following business strategies:

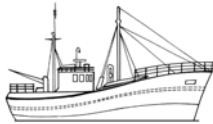
- adoption of ‘Best Practice’ procedures in all areas of operation with management priority focussed on safety, hygiene and environmental issues;
- meaningful consultation with key stakeholders and staff regarding service provision and capital works priorities;
- compliance with Government accounting regulations and specifically the “Accounts Direction” issued by DARD/DFP;
- proactive approach to risk management to enable the Authority to maintain effective safety and environmental control systems and a sound system of internal control;



- compliance with “Green Book” Treasury Guidance and project appraisal and evaluation;
- to pursue a policy of continuous improvement for service provision and internal procedures;
- cost effective provision of services which are perceived to be of a high standard by port users;
- compliance with all legal responsibilities in respect of: Fair Employment, Section 75 of the NI Act 1998, Human Rights legislation, the Disability Discrimination Act and the Data Protection Act;
- staff development through training and communication with staff on overall aims and objectives.

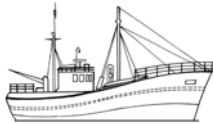
#### 4.4 Activities and Targets

<b>Objective 1: To provide safe and modern harbour facilities which are efficiently managed, well maintained and cost effective</b>				
	<b>Activities</b>	<b>Target Outputs</b>	<b>Timescale</b>	<b>Desired Outcome</b>
A	Address navigational safety issue at Kilkeel harbour entrance	Following confirmation of DARD's response to the Kilkeel Harbour Business Case, development of an agreed Action/Resource Plan	30 June 2011	Improved mitigation of health and safety risks
		Implement agreed Plan	31 December 2012	
B	Maintenance Dredging	Complete planned upgrade of M.D. Kilmourne	December 2011	Maintenance of safe berths and navigation channels
		Completion of harbour specific dredging programmes as determined by pre and post survey	Annual	
C	Continuous operation and improvements of Onshore and Marine Safety Management Systems (SMSs)	Updated Marine SMS  Minimum accident record:- Onshore; < 3 over 3 days accidents per annum	30 November 2010  Annual	Improved mitigation of health and safety risks/compliance with best practice
D	Implementation of Capital Works Programme	To deliver Capital Works programme (as per Appendix 2) on time and to budget	Agreed on a project by project basis	Improved and safer facilities for port users



**Objective 2: To maintain an economically sustainable approach to fulfilling NIFHA’s statutory duties**

	<b>Activities</b>	<b>Target Outputs</b>	<b>Timescale</b>	<b>Desired Outcome</b>
A	To reach agreement with DARD on the provision and amount of Grant-in-Aid funding including an Efficiency Plan and the development of existing and potential sources of income.	Confirmation of amount of ‘grant-in-aid’ funding and agreement on Efficiency Plan Implement Efficiency Plan Develop an Action Plan to ensure funding from subsequent tranches of EFF (and other relevant funding programmes) is maximised	31 March 2011  01 April 2010  Annual	Maintained sustainability of NIFHA’s operations   Improved sustainability of NIFHA’s operations
B	Development of ‘data matching’ procedures with DARD to mitigate against under-reported landings	Development of agreed procedures with DARD	01 January 2011	Improved sustainability of NIFHA’s operations
C	To obtain renewed funding for 2 x Project Managers	Confirmation of 100% funding for 2 x Project Managers for period 01/01/12 to 31/12/13	31 December 2011	Compliant and effective project management
D	To actively pursue sale of ice plants to private sector	To have sold the Kilkeel and Ardglass ice plants	By 31 March 2011 and 31 March 2013, respectively	Improved sustainability of NIFHA’s operations
E	To maintain expenditure within approved budget limits (refer to Section 5)	Budget agreed with DARD	Annual	Maintained sustainability of NIFHA’s operations
Monitor performance against budget		Monthly		
Meet DARD representatives to provide update on financial performance		2 times per annum		

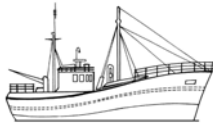


**Objective 3: To work with key stakeholder groups to facilitate sustainable economic development in the harbour areas**

	<b>Activities</b>	<b>Target Outputs</b>	<b>Timescale</b>	<b>Desired Outcome</b>
A	Port User Group meetings	4 meetings per year	Annual	Effective key stakeholder engagement
		Assess port user satisfaction with meetings (via questionnaire)	Annual	
B	Monitor and report to DARD on the implications of changes within the fishing industry on NIFHA's activities/resource requirements	2 meetings per year	Annual	Effective key stakeholder engagement
C	To meet with staff and elected members of the three local Councils in which NIFHA harbours are located	1-2 meetings per year	circa March and September each year from 2011 / 2012 onwards	Effective key stakeholder engagement
D	To actively participate in the proposed Fisheries Forum (and associated sub-groups)	Secure membership on future industry Forum	31 March 2011	Effective key stakeholder engagement
E	To develop a communications plan (reflecting approach to engagement with all stakeholder groups)	Development of Communications Plan	30 June 2011	Improved stakeholder engagement

**Objective 4: To maximise the use of all available resources in fulfilling NIFHA's aims and objectives**

	<b>Activities</b>	<b>Target Outputs</b>	<b>Timescale</b>	<b>Desired Outcome</b>
A	Ensuring staff skills match operational and business requirements.	Completion of skills audit	30 September 2011	Increase in staff/organisational effectiveness
		Update of Staff Training and Development Plan	Annual	



**Objective 5: To adopt ‘best practice’ procedures on corporate governance and accountability and to effectively address all legal responsibilities**

	Activities	Target Outputs	Timescale	Desired Outcome
A	Corporate Governance	Effective Systems and Procedures for Corporate Governance	Annual	‘Satisfactory’ internal and external audit reports and compliance with best practice.
B	External Audits of Safety Management Systems	Assurance for Board that SMSs are working effectively.	2011 for Marine SMS.  2013 for On-shore SMS	Improved mitigation of health and safety risks.
C	Develop and Implement Environmental Code of Practice (COP)	Develop practical COP.	31 December 2010	Compliance with best practice guidance
		Consult with Port Users	31 March 2011	
		Train Staff	31 March 2011	
		Implement COP	01 April 2011	
D	Develop and Implement Environmental Management System	Develop EMS	31 December 2012	Compliance with best practice guidance
		Implement EMS	01 April 2013	
E	Equality, Good Relations and Disability Duties	Completion of an audit of inequalities	31 March 2011	Implementation of Action Plan
		To revise the Authority’s Equality Scheme and develop an implementation plan with targets to reflect actions required to comply with revised Equality Commission guidance	31 March 2012	Compliance with best practice guidance
		Disability Action Plan	Annual	Implementation of Action Plan



## 5 RESOURCE IMPLICATIONS AND FINANCING

### 5.1 Introduction

NIFHA's 2010 – 2014 Corporate Plan highlights the activities required to achieve the organisation's strategic objectives during a period of significant change within the fishing industry and at a time when public sector expenditure is extremely restricted. The following section provides an overview of the financial and human resource required to deliver these activities.

### 5.2 Income and Expenditure

Earlier sections of this Corporate Plan have highlighted that, in the short-term, NIFHA is unable recover its full operating costs from port users and that it is seeking 'Grant-in-Aid' funding from DARD. NIFHA's income and expenditure projections for the 4 year period of the Corporate Plan are detailed in the table below. This table highlights the anticipated extent of deficit funding, which is forecast to increase from £52.9k in 2010/11 to £161.8k in 2013/14, based on a 'Possible' landings revenue scenario. However it should be noted that these figures are before any 'efficiency savings'. DARD have specified that any agreement to provide Grant-in-Aid funding to the Authority will be conditional on an agreed Efficiency Saving Plan which will target a break-even position in 2013/14.

Key assumptions adopted within the projections include:

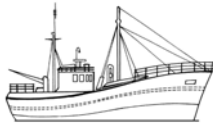
- the CFP will continue to limit landings in to the three harbours throughout the forecast period;
- the number of over 10m vessels will reduce at a rate of 5% per annum and the number of under 10m vessels will remain constant;
- all capital works projects, including project development costs, will be 100% funded by DARD/EU;
- the Kilkeel and Ardglass ice plants will be sold to the private sector with effect from 01 April 2011 and from 01 April 2013, respectively;
- dredging will be carried out by the Authority's dredger which will be upgraded in 2011; and
- salaries and expenses of the Project Manager and the Assistant Project Manager will be 100% funded by the EEF Collective Actions Measure for the period of the Plan.

Table 5.1  
**NIFHA – Income & Expenditure Projections (2010 – 2014)**

	Forecast	Estimate	Estimate	Estimate
<b>INCOME</b>	<b>2010/11</b>	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>
Service/Other Income*	972,010	868,908	869,448	832,929
Revenue Grant**	85,349	82,520	84,170	85,876
<b>TOTAL INCOME</b>	<b>1,057,359</b>	<b>951,428</b>	<b>953,618</b>	<b>918,805</b>
<b>TOTAL EXPENDITURE</b>	<b>1,110,302</b>	<b>1,061,512</b>	<b>1,085,620</b>	<b>1,080,561</b>
<b>OPERATIONAL SURPLUS/(DEFICIT) BEFORE CAPITAL CHARGES</b>	<b>(52,943)</b>	<b>(110,084)</b>	<b>(132,002)</b>	<b>(161,756)</b>

\*Based on 'Possible' landings revenue scenario; for forecasting purposes landing revenues are considered at 3 levels – Best Case, Possible and Worst Case.

\*\*Revenue Grant for Project Managers (2 officers) subject to renewal from 01 January 2012.



### 5.3 Risk and Uncertainties

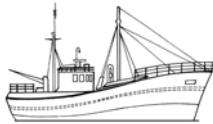
There are number of areas of risk/uncertainty that may impact on NIFHAs ability to achieve the near breakeven position identified for 2013/14. Key areas of risk/uncertainty are highlighted below, along with an assessment of the level of probability associated with their occurrence, an assessment of their potential impact on the stated breakeven position and identification of associated risk mitigation strategies.

Area of Risk/Uncertainty	Probability of Occurrence	Potential Impact of Trading Position	Risk Mitigation Strategies
Landing revenues not achieved – contributing factors could include changes in: level of fish stocks; EU effort controls; product pricing; migration of the larger vessels to fish distant areas for all or part of the year; vessel operating costs and the availability of crew.	Medium	High	Ongoing monitoring of revenue levels and factors contributing to revenue levels. Ongoing discussions with DARD on impact on trading position.
Health and Safety – open access of harbours.	Medium	High	Implementation, review and audit of Safety Management Systems.
Navigational Safety at Kilkeel Harbour entrance in certain weather conditions.	Medium	High	Business case for mitigation measure followed by implementation plan.
Environmental non-compliance including abandoned vessel.	Medium	High	Vessel monitoring, Abandoned Vessel Policy, cooperation with MCA, NIEA. Ongoing monitoring of compliance against legislative requirements.
Planned (and unforeseen) capital expenditure not being 100% funded by DARD	Medium	High	Ongoing monitoring of capital requirements. Ongoing discussions with DARD re capital funding requirements.
Project Manager/Assistant Manager costs not being 100% funded by DARD	Low	Medium	Obtain confirmation from DARD re status of funding over the 2012 – 2014 period.

The above identifies that there are at least five key areas of risk with a ‘medium’ probability of occurrence, which have the potential to have a significant impact on the ability of NIFHA to achieve its financial targets.

### 5.4 Capital Expenditure

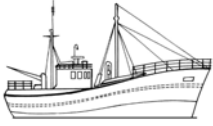
NIFHA’s projected capital expenditure for the 4 year period of the Corporate Plan is estimated at £6.76 million, as detailed in Table 5.3 overleaf. Further details on the anticipated timing of the proposed works are provided in Appendix 2.

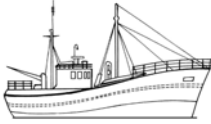


Year	2010/2011	2011/2012	2012/2013	2013/2014
	£'s	£'s	£'s	£'s
EFF Projects	735,000	2,543,500	286,000	0
Reserve Projects	36,500	425,000	1,468,500	1,280,000
<b>TOTAL (EFF &amp; Reserve Projects)</b>	<b>771,500</b>	<b>2,968,500</b>	<b>1,744,500</b>	<b>1,280,000</b>

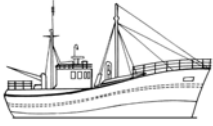
## 5.5 Human Resources

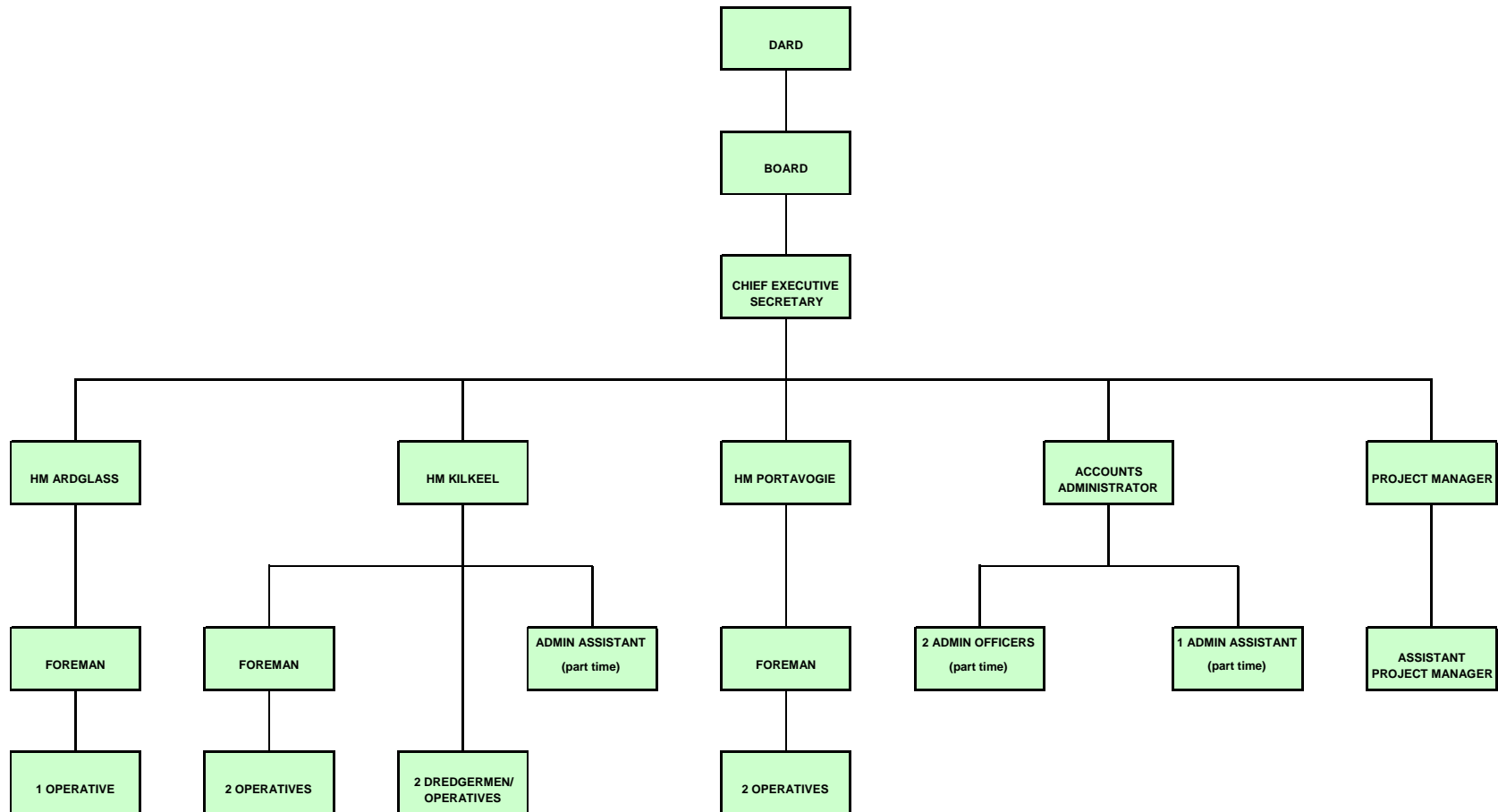
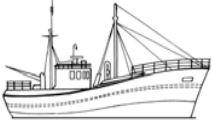
NIFHA's financial projections assume that the activities/tasks associated with the Corporate Plan are delivered with the organisation's current level of management and staffing.

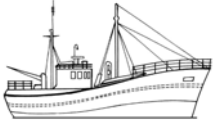


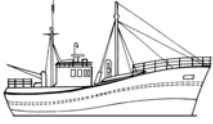


## **APPENDIX 1 - NIFHA ORGANISATIONAL CHART**

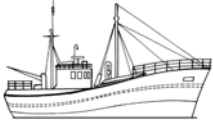


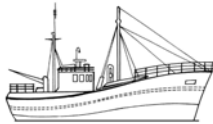






## **APPENDIX 2 – CAPITAL WORKS PROGRAMME**





**NIFHA - Phasing and Estimated Annual Cost of Capital Works\***

	2010/2011	2011/2012	2012/2013	2013/2014
	£	£	£	£
<b><u>EFF Funded Projects</u></b>				
Ardglass Rock Armour Upgrade				
Ardglass Sawpit Quay Repair (included above)				
Kilkeel Fishmarket Refurbishment				
Lighting Upgrades all Harbours				
Kilkeel Net Stores Upgrade				
<b><u>Proposed EFF Projects</u></b>				
Dredger Mid Life Refit & Crane Replacement				
Kilkeel Quay Wall Repairs (Phase 3)				
Ardglass Fishmarket Refurbishment				
Portavogie Quay Wall Repairs – Phase 2				
<b>Estimated Annual Total EFF Projects</b>	<b>735,000</b>	<b>2,543,500</b>	<b>286,000</b>	<b>0</b>
<b><u>Reserve Projects</u></b>				
Portavogie Sediment Remediation				
Portavogie Fishmarket Refurbishment				
Ardglass NO Quay Wall Refurbishment				
Portavogie Small Vessel Pontoon				
Portavogie Outer Pier Concrete Repairs				
Kilkeel Small Vessel Slipway				
Kilkeel Meeneys Pier				
Kilkeel South Harbour Road Refurbishment				
Dedicated Water Berths – All Harbours				
Kilkeel Navigational Safety Management System				
Ardglass Waste Reception Facility				
Portavogie Wind Turbine				
Kilkeel Security Camera Upgrade				
Ardglass Security Camera Upgrade				
<b>Estimated Annual Total Reserve Projects</b>	<b>36,500</b>	<b>425,000</b>	<b>1,468,500</b>	<b>1,280,000</b>
<b>TOTAL (EFF &amp; RESERVE PROJECTS)</b>	<b>771,500</b>	<b>2,968,500</b>	<b>1,744,500</b>	<b>1,280,000</b>

**TOTAL CAPITAL EXPENDITURE OVER 2010/11 – 2013/14 = £6,774,500**

N.B. Shaded cells denote anticipated timing of works

\* subject to EFF funding and based on estimated pre-tender costs and timescales