

4. The Strategic Objectives and Actions for the Fishery Harbour Centres

In this chapter, we present our vision for the six Fishery Harbour Centres and, from that, derive the strategic objectives, actions and values that we expect them to pursue. We commence, though, with presenting the operating environment and context for the vision, goals and values through a PESTLE analysis and the identification of a range of issues that will influence our strategic goals.

4.1 Operating Environment

The PESTLE analysis provides an overview of the operating environment that the Fishery Harbours function in.

4.1.1 Political

- There is support and commitment by Government for the development of the Fishery Harbour Centres
- Some €203 million will be invested under the Fisheries and Coastal Infrastructure Sub-Programme to ensure the future viability of the fishing industry
- *Steering a New Course*, the Report of the Seafood Industry Group, underlines the case for development and support. The establishment of the Killybegs Marketing Strategy Group also underlines the support for the industry
- The fishing sector is a major lobby
- An Daingean was designated a FHC on 14th May, 2007
- FHC development needs to be in harmony with existing traditional communities and industry

4.1.2 Economic

- The activities at the FHCs have the capacity to generate major direct and indirect local economic impact
- While some funding is available for the development of FHCs, the cost for harbour infrastructure is ever increasing making it more difficult to justify under conventional cost-benefit analysis
- There is varied financial performance by the FHCs
- The commercial focus of FHCs is questionable
- The property portfolio is under-performing
- The decline in fishing stock and restricted catch regime affects local income
- Increasing fuel costs are also a constraint
- Fish processing is labour-intensive and processed fish exports achieve high value
- There are likely to be new opportunities available for FHC development
- Marine tourism/leisure is a growing opportunity
- Competitive ports are attracting away business natural to particular FHCs
- Location is a critical factor for a successful commercial harbour

4.1.3 Socio-Economic

- For many local and remote fishing communities, the only employment and income opportunities were linked with the FHCs
- Employment in the processing sector, due to reducing catch, is declining
- Average income in fishing villages tends to be below the national average
- Local communities are suffering a population loss and brain drain

4.1.4 Technological

- Fishing vessels are becoming larger and more technologically demanding
- This is putting pressure on FHC resources and infrastructure
- New skills may be required

4.1.5 Legislative/Legal

- Common Fishery Policy agreements set legal limits on the amounts of catch by species for each member state
- The agreements also dictate the number of vessels and time of catch
- Regulation is growing; sea protection vessels monitor very carefully vessel catches; any over-catching leads to major fines and can lead to confiscation of gear
- The responsibility for Fishery Harbour Centres has now transferred to the Department of Agriculture, Fisheries and Food

4.1.6 Environmental

- There is increasing pressure at FHCs for the need to address environmental concerns such as smell, noise, light, visual aspects and access
- Competing interests such as tourism, leisure, residents and fishing can often result in local tensions
- New developments must comply with increasingly rigorous environmental regulations; this can slow down the process and can result in increased costs

4.2 Some Key Matters

There is a range of matters that arose from our desk research, consultation process and the various submissions that we received. They include:

- The FHCs benefit from the support of the State's professional, technical, administrative and financial resources in the carrying out of their roles
- FHCs are key drivers of local economic activity and many local communities are reliant on the success of the local harbour for their livelihood; this is not necessarily recognised nor appreciated. There is a Corporate Social Responsibility that continues to be needed
- There is an absence of a commercial and business focus at both Department and FHC levels that, if introduced, would enhance the revenue potential of the FHCs and their customers, as well as ensuring Value for Money in the range of services that they provide
- Consideration should be given to outsourcing the operation of the synchrolifts and the Howth Boatyard through service contracts and the like
- The establishment of a FHC Performance Management System with local targets and budgets would enable activity and progress to be tracked

- There is serious concern in relation to the reducing levels of fish landed; EU quotas constrain the levels of fish landed from Irish fishing boats but there are opportunities for growing the level of fish that can be landed from foreign vessels
- There is a need for a structured and co-ordinated approach with local stakeholders to business development that would grow business activity at the FHCs including the level of foreign catch landed, marine tourism and leisure
- However, the displacement of business from one harbour to another is of no benefit at a national level
- With profitability a major concern, the level of debtor balances at many of the FHCs is above that expected for a commercial operation; there is an urgent need to bring these under control
- The various FHCs have initiated User Group meetings that have generated favourable feedback allowing for the exchange of information and issues to be resolved
- Many of the tenants that we spoke to spoke of their frustration with the Department in relation to their lease arrangements; issues mentioned include tenure, renewal, site use and annual charges
- Management and organisational arrangements between FHC Harbour Masters and their managers are seen to be overly-bureaucratic and too administrative; while recognising the need for formal line relationships and adherence to operational and statutory rules and regulations, there is scope for increased flexibility, devolvement and autonomy in decision-making at local management levels
- With increasing sophistication required for the management and development of FHCs, a review of the profile, skills, experience and competencies expected from those employed to manage FHCs is over-due; in addition, given the need for a business focus to be adopted at fishery harbours, an ongoing programme of staff development, including induction training, should be introduced for harbour and administrative staff
- The absence of procedure manuals is a gap that needs to be addressed
- There should be regular reviews of the powers of harbour-based management, local byelaws and regulations to ensure that they are up-to-date and reflect local requirements
- FHCs are working harbours and concerns have been voiced in relation to the potential for accidents because of ease of access to cluttered piers where space for net storage and waste can also be at a premium; this requires proper housekeeping procedures to be put in place
- Notwithstanding the good inter-personal relations, there are potential structural difficulties arising from having separate administrative and engineering functions reporting to different heads of function

4.3 Rental Income

The advised policy of the Department in respect of its property portfolio is to conform to public procurement guidelines putting property leases out to competitive tender where no renewal option exists; nevertheless, a number of issues concerning leases were raised during the consultation process. They include:

- The apparent unwillingness of the Department to transfer an existing lease to another company without the Department having to put the site out to tender at

the end of an existing lease term

- The historic variability in the term of leases
- The ability to pay the open market rental value of the site
- Recognition that a longterm lease is required to satisfy lending institutions that the investment is capable of refunding any financing provided
- The delay in establishing the appropriate valuation of the site
- Certain state bodies are not paying any lease charges
- Details of tenants and what payments were made were unclear
- Not all properties are available for lease due to legal reasons
- The general bureaucracy in dealing with the Department in the administration of the leases

Our view supports the principle that all tenants should pay the appropriate open-market lease charge. A lease term of at least 35 years is required to satisfy banks and other funding institutions that a borrower can service any loan provided.

A business-like approach should be adopted in dealing with existing and potential tenants.

An up-to-date inventory of all properties should be available to ensure that each property is paying its appropriate lease amount, and that all outstanding payments are being collected.

4.4 Vision

Our vision for the Fishery Harbour Centres is:

To have in place safe, adequately-resourced, commercially-focused and viable harbours, professionally managed, that cater for the ongoing needs of the Irish and foreign fishing sector and other stakeholders, including marine tourism and harbour-related industry, operating in harmony together

4.5 Sector Strategic Objectives

We propose that the Sector's Strategic Objectives over the next five years should be

- To introduce a commercial focus into the activities of the Fishery Harbour Centres
- To broaden the activity base of the Harbour Centres
- To increase fish landings to 160,000 tonnes
- To grow harbour dues, rental and other revenue turnover to €4.44m
- To reduce the level of debtor days overall to 30 days
- To put in place a management structure and system that reflect good business practice
- To conform to all industry norms on Health, Safety, Security and the Environment

4.6 Key Actions

We summarise below the Key Actions for each of the Strategic Objectives for each of

the Fishery Harbour Centres. By their nature, many of them apply to each of the FHCs.

4.6.1 To Introduce a Commercial Focus into the Activities of the Fishery Harbour Centres

| Action | Howth | Dunmore East | CTB | An Daingean | Ros An Mhil | Killybegs |
|--|-------|--------------|-----|-------------|-------------|-----------|
| Each FHC to have a Bottom-Line Focus through Development and Management of Local Budgets | X | X | X | X | X | X |
| Each FHC to Promote and Encourage Commercial Initiatives | X | X | X | X | X | X |
| Ongoing Review of Local Assets for Opportunities to generate Revenue and reduce Costs | X | X | X | X | X | X |
| Develop an Integrated Marketing Programme with Local Stakeholders, e.g., marine leisure | X | X | X | X | X | X |
| Enhance Relationships with Local Agents, Marine Operators etc | X | X | X | X | X | X |
| Continue the practice of regular User Meetings | X | X | X | X | X | X |
| Participate in development of Local Websites and Promotional Material | X | X | X | X | X | X |

4.6.2 To Broaden the Activity Base of the Fishery Harbour Centres

| Activity | Howth | Dunmore East | CTB | An Daingean | Ros An Mhil | Killybegs |
|--|-------|--------------|-----|-------------|-------------|-----------|
| Marinas | X | X | X | X | | X |
| Marine Leisure | X | X | X | X | | X |
| Local Sports and Activity Clubs | X | X | X | X | | |
| Clean, Commercial Freight Traffic | | | X | | X | X |
| Offshore Oil Exploration | | X | X | X | | X |
| Windmills | | | | | | X |
| Cruise Business | | X | X | | X | X |
| Passenger Transport | | | | | X | |
| Border Inspection Post | | | | | | X |
| Integrated Development of Local Proposals | X | X | X | X | X | X |
| Development of Howth Shipyard for Yacht-Club/Marine-Related Business | X | | | | | |

4.6.3 To Increase Irish and Foreign Fish Landings to 160,000 Tonnes by 2013

| Action | Howth | Dunmore East | CTB | An Daingean | Ros An Mhil | Killybegs |
|--|-------|--------------|-----|-------------|-------------|-----------|
| Arrange Visits to Principal Foreign Fleet Owners | | X | X | X | X | X |

| | | | | | | |
|--|--|---|---|---|---|---|
| Promote Integrated Marketing: FHC, Processors, Agents | | X | X | X | X | X |
| Consider Trade Missions, e.g., to La Coruna/Figo | | X | X | X | X | X |
| Explore Twinning/Partnerships with Foreign Fishery Harbour Centres | | X | X | X | X | X |
| Promote Relationships with Agents, Marine Operators etc to Encourage greater Landings from Foreign Fishing Boats | | X | X | X | X | X |
| Encourage Irish landings overseas back to Irish FHCs through Discussions with vessel owners etc | | X | X | X | X | X |

The landings projections for each of the Fishery Harbour Centres incorporate both landings from Irish vessels and landings from foreign vessels. The 2008 landings from Irish and foreign vessels are set at the average of the respective catches for each for 2005, 2006 and 2007. Given quota constraints, landings from Irish vessels increase marginally over the subsequent four years to take account of extra landings from non-quota fish etc while landings from foreign vessels grow at a rate of 10 per cent per annum from the 2008 base.

4.6.4 To Grow Harbour Dues, Property and Other Income Revenue Turnover to €4.44m by 2013

| Action | Howth | Dunmore East | CTB | An Daingean | Ros An Mhil | Killybegs |
|---|-------|--------------|-----|-------------|-------------|-----------|
| Private Valuers should be used where necessary | X | X | X | X | X | X |
| All Properties to have Up-to-date Rates, Lease Arrangements and Property Valuations | X | X | X | X | X | X |
| All Tenants to pay required Lease Charges | X | X | X | X | X | X |
| All Harbour Users paying their charges | X | X | X | X | X | X |
| Consider how Local Assets, e.g., marinas, can be Exploited | X | X | X | X | X | X |
| Review Costs Base | X | X | X | X | X | X |
| Ensure Value for Money | X | X | X | X | X | X |

The income targets relate to Harbour Dues, Rental and Other Income only and exclude state grants and revenue from once-off income such as Property Sales and Lease Premia. A five per cent increase in harbour dues' rates from Irish fish landings is assumed from 2009.

We have assumed that the average landing of a foreign fishing vessel is 12.5 tonnes.

Rental and Other Income grow at two per cent per annum from a 2008 base derived

from historical expenditure over the last number of years.

Expenditure excludes any capital purchases such as trucks and vessels, and grows at a rate of 4.0 per cent per annum from 2006 but modified by the exclusion of any exceptional costs in that year.

4.6.5 To Reduce the Level of Debtor Days Overall to 30 Days by 2013

| Action | Howth | Dunmore East | CTB | An Daingean | Ros An Mhil | Killybegs |
|---|--------------|---------------------|------------|--------------------|--------------------|------------------|
| Review Debt Collection Process | X | X | X | X | X | X |
| Foster payments to be made on time | X | X | X | X | X | X |
| Prepare proposals and recommend solutions for their resolution of outstanding debts | X | X | X | X | X | X |
| Introduce Debt Collection Agency where the case warrants it | X | X | X | X | X | X |
| In extreme cases, proceed with Legal Enforcement | X | X | X | X | X | X |

4.6.6 To Put in Place a Management Structure and System that Reflect Good Business Practice

The responsibility for this Objective is primarily that of the Department of Agriculture, Fisheries and Food with the support of local management, and is dealt with in Chapter 11.

The matters dealt with include:

- A revision of job descriptions, person specifications and post titles to reflect new roles
- A greater and devolved role for Harbour Masters/Manager in the preparation, monitoring and spend of their own budget
- Greater debtor balances control
- Training to support the Harbour Manager in their new role
- Improved communications between Department Administration officials and the Harbour Managers with regular review and consultation meetings
- Installation of video conference facilities in all FHCs to improve communication infrastructure
- Introduction of a Performance Management System with regular reporting against agreed Performance Indicators
- A greater focus on marketing and promoting the Fishery Harbour Centres
- The development of Procedure Manuals

4.6.7 To Conform to all Industry Norms on Health, Safety, Security and the Environment

| Action | Howth | Dunmore East | CTB | An Daingean | Ros An Mhil | Killybegs |
|--|-------|--------------|-----|-------------|-------------|-----------|
| Ensure Compliance with all relevant Legislation & EU Directives through Local Audits etc | X | X | X | X | X | X |
| Implement Communications & Clear Signage Plan | X | X | X | X | X | X |
| Prepare and Keep up-to-date Procedure Manuals for all core activities including accident, emergency, environmental, accounting, training needs analysis and recruitment procedures | X | X | X | X | X | X |
| Provide CCTV Facilities for Enhanced Security | X | | X | | | |
| Prepare Area Masterplan incorporating space/storage mgmt for nets, net repairs, waste etc | X | X | X | | | |
| Develop local Traffic Management Plan with Local Authority where appropriate | X | X | X | | | |
| Ensure Clear Segregation between the Various Activities, i.e., between the Fishermen and Maritime Leisure Activities | X | X | X | X | X | |
| Address and have disposed all derelict boats in the harbour | X | X | X | X | X | X |

4.7 Values

Values are the behaviours, beliefs and practices that we adopt as we go about our daily work and deal with our customers. Our discussions lead us to propose the following set of Values for the Fishery Harbour Centres:

- Act with Integrity and Transparency
- Treat All Stakeholders Equally and with Respect
- Recognise that the Fishery Harbour Centres play a Significant Role in the Economic Life of their Region
- Promote a Healthy, Safe and Secure Workplace
- Be Responsive to Customer Needs
- Ensure Quality and Value for Money
- Operate in accordance with Best Business Practice
- Embrace Modern Systems, Innovation and Change
- Are Driven by Commercial Imperatives
- Respect the Principles of Environmental Sustainability

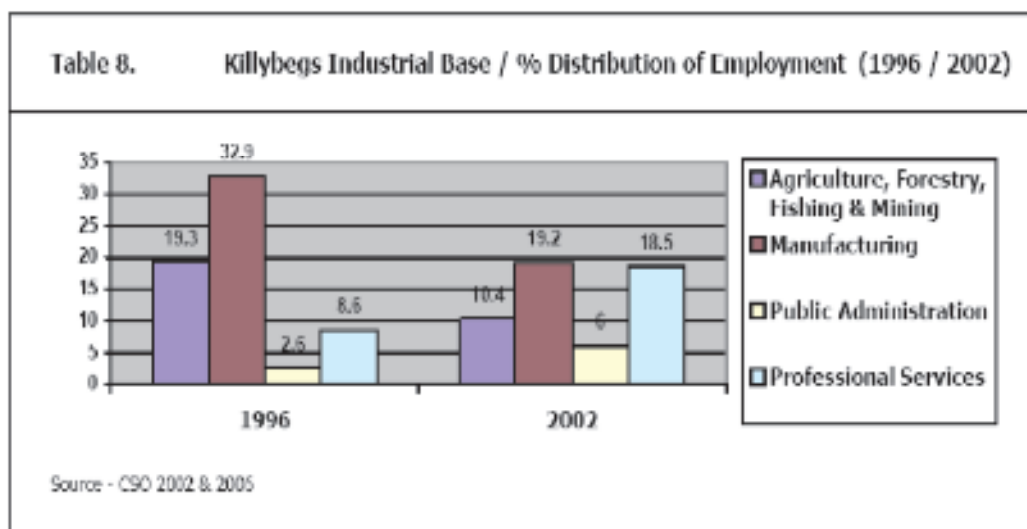
PART 2:
FISHERY HARBOUR CENTRES'
BUSINESS PLANS

5. Killybegs Fishery Harbour Centre

5.1 Profile of the Fishery Harbour Centre

Killybegs Fishery Harbour Centre (FHC) is located in South West Donegal on Donegal Bay. Killybegs is a fishing town, which has developed organically around a natural harbour and is situated amid undulating hills. The town itself has a population of 2,325 (2006) with population levels having decreased by almost 4% on the 2002 census figures. In addition there are an estimated 470 people residing within one mile of the town.

Killybegs remains the premier fishing port in Ireland. Fish processing and onshore-based ancillary activities (i.e. the manufacture and repair of boats, synchrolift, electronics, hydraulics, marine engineering and fabrication, net making and repair, water purification and waste treatment), support both local and international fishing industries, and are extremely important to the town. In recent years, however, there have been a number of job cuts in fishing and its ancillary industries and many of those employed are on temporary seasonal contracts. The table below provides a profile of the distribution of employment in Killybegs comparing 1996 with 2002.



Source: Killybegs Local Area Plan 2007-2014

A Killybegs Local Area Plan 2008-2014 has been prepared and it highlights the following as priority sectors within the lifespan of the Plan:

- 1) The service sector; with particular reference to the tourism sector in the County
- 2) Added value food processing, particularly in the fisheries sector
- 3) The job potential in information technology, telecommunications and pharma and bio-technologies

The Killybegs Local Area Plan 2008-2014 continues to emphasise the importance of the port activities to the future success of the town as shown in the extract below

| POLICIES HARBOUR / PORT RELATED | |
|-------------------------------------|---|
| It is a policy of the Council to - | |
| HP 1 | Safeguard and enhance the role of Killybegs, as a centre of fleet activity, processing, and ancillary services and to promote the diversification of such locations into new areas of marine related economic activity. |
| HP 2 | Promote the development of a strong and prosperous fishing industry and associated land use activities capable of adapting to changing markets and supporting the communities that depend thereon. |
| HP 3 | Facilitate the development of a Fisherman's Wharf along the Old Pier with shops and restaurants that promote a strong Maritime ethos. |
| HP 4 | Facilitate the development of a Marina, Boat Station and ancillary infrastructure for Sea Angling within the Inner harbour area. |

Source: Killybegs Local Area Plan 2008-2014

While the main activities in the town are primarily in support of the fishing fleet there is an increasing level of tourism activity.

In recent years, the North West has been marketed as a cruise destination and a number of cruise vessels are now using Killybegs as a stop-off destination on their itineraries.

In 2007, nine cruise vessels visited Killybegs and disembarked over 5,000 passengers and crew. The Killybegs Cruise Ship Committee estimated that in 2008 there was twelve cruise vessel visits which would have brought in excess of 9,500 passengers and crew to the town.

The town also benefits greatly from the many Sea Angling events held throughout the year. The town recently hosted the All Ireland Masters Open Sea Angling Competition, which resulted in full bookings in the hotels and B&Bs. It also hosts the Championship Angling Competition in May, and an International Sea-Angling competition in July.

The structure at the Harbour Centre consists of a Harbour Master supported by an Assistant Harbour Master, a Foreman, 8 General Operatives and 1.5 Secretary/Administrator.

The Harbour Centre is staffed from Monday to Friday from 08:30 until Midnight with a half day opening on Saturday. The Harbour Master is on call outside of these hours and authorised users of the centre have access to the facility outside of these hours by means of an electronic card security system.

The new harbour facilities provide 450 metres of new quays (one 300 metres in length, the other 150 metres long), cargo sheds, hardstand / open storage area, a boat repair building and 1,400 sq metres of harbour offices (providing accommodation

for the Harbour Master, the Sea Fisheries Protection Authority, Bord Iascaigh Mhara, the Marine Institute, Customs and Excise is a one-stop shop for the fishing industry in the North West).

These new facilities and the deep-water port are suitable for a variety of other functions including berthage for larger vessels up to 300 metres in length, leisure craft, imports and exports (e.g. aggregates/timber). Recently, new opportunities have arisen for the offshore exploration and processing of oil and gas. In addition, Killybegs is ideally placed to become a service centre / strategic base for the development of renewable energies / technologies (e.g. wind, hydro / tidal).

The availability of these new facilities has resulted in Killybegs becoming attractive to commercial operators. Currently the operations in the Corrib gas field are supported from here and there is every prospect of increased oil support activity in the coming years with the commencement of new exploration activities off the North West coast. There has also been a significant amount of importation of wind turbines as a result of the increasing prevalence of wind powered electricity generation in the North West. This trend is likely to continue for the next few years at least. While the expansion of these commercial activities has in general been welcomed in the wider Killybegs community, there is also an underlying degree of opposition to any proposal which would see the transport of “unsuitable” cargoes through the Fishery Harbour Centre.

In addition to these new facilities, the original harbour, comprising of the Landing Pier, the Town Pier, the Town Wharf and the Blackrock Pier and the Blackrock Wharf, is still operational. There is a total berthage in the old harbour of 807 metres and water depth varies from 3.65 metres to 7.5 metres depending on the pier. The original harbour area continues to be used, mainly by the whitefish fleet, smaller boats, pleasure craft, sea angling boats, etc.

There is a home fleet of twenty-six vessels and pelagic and whitefish are the main species landed. Blue whiting is also landed here and sent to the fishmeal plant for processing. There are landings by foreign trawlers, mainly Spanish, and while this was in decline somewhat in recent years, 2006 saw a significant increase, most probably because of increasing fuel costs. Lorries arrive from Spain and then return home having collected the catch. The French fleet rarely land unless they have to because of weather or mechanical difficulties since they can avail of subsidised fuel provided to them in French ports.

Irish Fishing boats pay annual harbour dues based on tonnage; in addition, they pay harbour based dues on the volume of the catch. In the case of foreign boats, a flat fee of €250 per vessel is charged.

There is a significant fish processing activity in the Killybegs area with a total of five processing plants and a fishmeal factory.

Currently ten fishery protection officers operate from the harbour administration building in the new fishery harbour centre.

5.2 Performance

5.2.1 Catch

The value and volume of landings from Irish fishing vessels were as follows:

Table 5.1: Value & Volume from Irish Fishing Vessels

| | 2003 | 2004 | 2005 | 2006 | 2007 |
|--------------------|---------------|---------------|---------------|---------------|---------------|
| Deepwater | 703 | 525 | 521 | 334 | 243 |
| Demersal | 2,365 | 1,794 | 1,568 | 1,937 | 6,741 |
| Pelagic | 79,276 | 74,942 | 92,476 | 84,394 | 79,408 |
| Shellfish | 518 | 504 | 422 | 203 | 2,869 |
| Total | 82,862 | 77,765 | 94,987 | 86,868 | 89,262 |
| Value €'000 | 30,171 | 21,957 | 27,560 | 33,640 | 42,096 |

Source: SFPA

The volume of landings from foreign fishing vessels were as follows:

Table 5.2: Volume of Catch from Foreign Fishing Vessels

| | 2003 | 2004 | 2005 | 2006 | 2007 |
|-----------------------|--------------|--------------|--------------|---------------|---------------|
| Deepwater | 991 | 172 | 149 | 153 | 205 |
| Demersal | 2,282 | 1,733 | 1,729 | 3,003 | 3,666 |
| Pelagic | 5,704 | 136 | 1,180 | 8,086 | 15,171 |
| Shellfish | 291 | 288 | 248 | 393 | 217 |
| Total (tonnes) | 9,268 | 2,336 | 3,307 | 11,636 | 19,259 |

Source: SFPA

The total volume of landings from all fishing vessels were as follows:

Table 5.3: Total Volume of Catch Landed at Killybegs

| | 2003 | 2004 | 2005 | 2006 | 2007 |
|------------------|---------------|---------------|---------------|---------------|----------------|
| Deepwater | 1,694 | 697 | 670 | 487 | 448 |
| Demersal | 4,647 | 3,527 | 3,297 | 4,940 | 10,407 |
| Pelagic | 84,980 | 75,078 | 93,656 | 92,480 | 94,579 |
| Shellfish | 809 | 792 | 670 | 596 | 3,086 |
| Total | 92,130 | 80,101 | 98,294 | 98,504 | 108,521 |
| % Foreign | 10% | 3% | 3% | 12% | 18% |

Source: SFPA

5.2.2 Financial Performance³

The financial performance of Killybegs on a Receipts and Payments basis is:

Table 5.4: Financial Performance: Receipts and Payments Basis

| € | 2004 | 2005 | 2006 |
|--------------------------------|------------------|------------------|------------------|
| Income | | | |
| <i>Harbour Dues</i> | 923,533 | 729,535 | 7,351,366 |
| <i>Rents</i> | 41,434 | 77,857 | 37,341 |
| <i>Sundry Receipts</i> | | 22,161 | |
| <i>Sale of Properties</i> | 272,994 | | |
| Total | 1,237,961 | 829,553 | 7,388,707 |
| Payments | | | |
| <i>Salaries & Wages</i> | 510,343 | 511,594 | 500,588 |
| <i>Light, Heat & Power</i> | 61,203 | 112,234 | 114,898 |
| <i>Maintenance</i> | 145,384 | 83,259 | 50,480 |
| <i>Telephone</i> | 13,809 | 39,364 | 14,417 |
| <i>Water Rates</i> | 111,556 | 91,718 | 87,703 |
| <i>Sundry Expenses</i> | 94,507 | 159,984 | 202,651 |
| Total Payments | 936,802 | 998,483 | 970,737 |
| Surplus/(Deficit) | 301,159 | (168,930) | 6,417,970 |
| <i>Oireachtas Grants</i> | | 45,000 | 21,000 |
| Net after Grants | 301,158 | (123,930) | 6,438,970 |
| Capital Account | | | |
| <i>Oireachtas Grants</i> | 8,357,958 | 4,367,122 | 222,397 |
| <i>Expenditure</i> | 8,616,686 | 4,256,824 | 566,382 |
| Nett | (255,728) | 110,298 | (343,985) |

Source: Department of Agriculture, Fisheries and Food; * Harbour Due & Rents

³ It should be noted that the 2006 figures are provisional only and have not been signed off by the Comptroller and Auditor General

The financial performance of Killybegs in terms of Income and Expenditure is:

Table 5.5: Financial Performance: Income & Expenditure Account

| € | 2004 | 2005 | 2006 |
|--------------------------------|------------------|------------------|------------------|
| Income | | | |
| <i>Harbour Dues</i> | 1,026,215 | 1,193,650 | 1,328,977 |
| <i>Rents</i> | 89,459 | 63,089 | 5,992,493 |
| <i>Sundry Receipts</i> | | 22,161 | 37,341 |
| <i>Sale of Properties</i> | 272,994 | | |
| Total | 1,388,668 | 1,278,900 | 7,358,811 |
| Payments | | | |
| <i>Salaries & Wages</i> | 497,538 | 511,480 | 498,314 |
| <i>Light, Heat & Power</i> | 67,505 | 127,453 | 97,108 |
| <i>Maintenance</i> | 150,958 | 85,146 | 20,188 |
| <i>Telephone</i> | 14,474 | 41,462 | 11,554 |
| <i>Water Rates</i> | 108,066 | 91,718 | 87,703 |
| <i>Sundry Expenses</i> | 98,490 | 173,953 | 189,978 |
| <i>Bad debt Provision</i> | 5,743 | 83,567 | (13,003) |
| Total Payments | 942,774 | 1,114,779 | 891,842 |
| <i>Oireachtas Grants</i> | | 45,000 | 21,000 |
| Surplus after Grants | 445,894 | 209,121 | 6,487,969 |
| Balance at Year-End | 1,256,406 | 1,465,527 | 7,953,496 |

The Balance Sheet for Killybegs at the respective year-end is as follows:

Table 5.6: Financial Performance: Balance Sheet

| € | 2004 | 2005 | 2006 |
|------------------------------------|-------------------|-------------------|-------------------|
| Fixed Assets | | | |
| <i>Development Expenses</i> | 66,644,614 | 70,938,578 | 71,466,128 |
| Current Assets | | | |
| <i>Debtors</i> | 568,598 | 934,379 | 917,487 |
| <i>Bank</i> | 812,805 | 705,433 | 6,861,798 |
| Total Current Assets | 1,381,403 | 1,639,812 | 7,779,285 |
| Total Assets | 68,026,017 | 72,578,390 | 79,245,413 |
| Current Liabilities | | | |
| <i>Creditors</i> | 184,641 | 160,769 | 133,315 |
| <i>OPW Agency Account</i> | 15,887 | 15,887 | |
| Total Current Liabilities | 200,528 | 176,656 | 133,315 |
| Total Net Assets | 67,825,489 | 72,401,734 | 79,112,098 |
| Financed By | | | |
| <i>Income & Expend Account</i> | 1,256,406 | 1,465,527 | 7,953,496 |
| <i>Acc Capital Grants</i> | 66,569,083 | 70,936,207 | 71,158,604 |

Source: Department of Agriculture, Fisheries and Food

5.3 Facilities

5.3.1 Quay Facilities

The old harbour has five quays.

- The Landing Pier is a total of 275 metres long
- The Town Pier is a total of 180 metres long.
- The Town Wharf is 95 metres in length
- The Blackrock Pier is a total of 172 metres long
- The Blackrock Wharf is a 85 metres in length

The new harbour has two quays

- The first is 300 metres long with twelve metres depth
- The second is 150 metres in length with nine metres depth

5.3.2 Other Facilities

In the new Harbour Centre, the Harbour Master's Office, the Auction Hall and the SFPA Office are owned by the Department. In the old harbour area, there are approximately twenty four sites that are either leased out to third parties or have leases in preparation. The new FHC contains a number of sites which are suitable for development a number of expressions of interest have been received.

There is a Synchrolift with a boat repair facility; this is located in the new harbour development.

BIM has an Ice Plant at Killybegs this site is leased from the Harbour Centre.

5.3.3 Other Development Matters

The harbour has recently undergone major redevelopment with the provision of two new deepwater quays and the provision of a number of sites in the harbour area suitable for development as warehousing/production facilities.

Planning permission was granted to United Fish Industries Ltd. (a member of the IAWS group) for the development of a new fishmeal processing plant. In addition to utilising two existing sites in the harbour centre, this development will also involve the reclamation of some additional land from the sea at the outermost end of the existing harbour. Upon completion of the new plant, production will transfer from its current plant on the outskirts of the town.

There is currently a proposal for the development of a marina in the harbour. This proposal was granted full planning permission in October 2006 and a foreshore licence was applied for. A new application for a foreshore licence was submitted in November 2007 based on a revised layout with a smaller footprint for the floating pontoons. If it were to be built, it would have an impact on a number of existing activities, including the sea angling boats,

which currently use the Blackrock pier for embarkation and disembarkation; this pier is located close to the area covered by the proposed marina development.

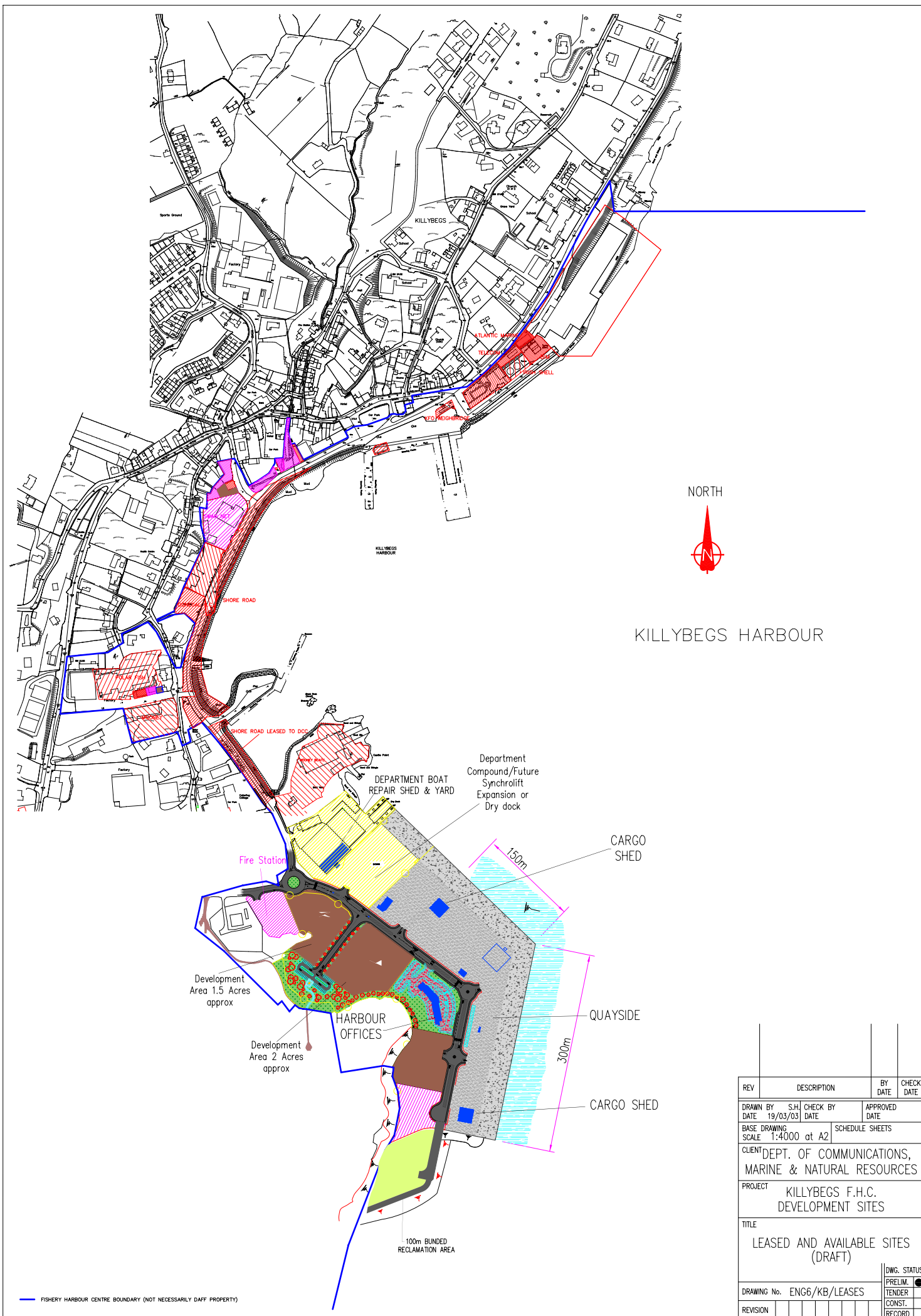
An increasing level of interest is now being shown in relation to some of the sites in the new Fishery Harbour Centre development. It will be important to build on this interest level in order to maximise the return from these sites. The speed at which this interest can be converted into revenue streams will have a significant bearing on the success of the Killybegs FHC.

5.4 Local Stakeholders

There are a number of major users of the Harbour. Some of these are profiled below.

5.4.1 United Fish Industries (IAWS group)

The fishmeal plant was built in 1957 and came under IAWS ownership in 1967. It currently employs 50 people at peak and produces low temperature dried fishmeal, which is supplied to the leading fishfeed producers Skretting, EWOS and Biomar. The Killybegs operation is the only plant in the country and is the principal supplier to Skretting facility in Westport, which in turn supplies the farmed fish industry in Ireland with fishfeed. The plant is the main supplier of organic fishmeal to the Irish aquaculture industry and has been instrumental in the development of the fishing industry in Killybegs. In earlier times it used to process large quantities of mackerel into fishmeal before it became popular for human consumption. Currently Blue Whiting is the main species used in the production of fishmeal although a large amount of research is currently being undertaken to find other suitable species, this in an effort to both extend the season and reduce dependence on this one species. The blue whiting fishing grounds are off the South West coast and the season runs from approximately December to March. The fishmeal plant also provides the major outlet to recycle trimmings, the by-products of the fish processing, which are taken from this industry throughout the Island of Ireland. The fish are transported by road from the harbour to the processing plants. The fishmeal plant exports the bulk of its output. This is currently sent by road transport to ships docked in Killybegs and other ports.



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|--|-------------|-----------------------|--|------------------|------------|---|
| REV | DESCRIPTION | | | | BY DATE | CHECK DATE |
| DRAWN BY S.H. DATE 19/03/03 | | CHECK BY DATE | | APPROVED DATE | | |
| BASE DRAWING SCALE 1:4000 | | at A2 SCHEDULE SHEETS | | | | |
| CLIENT DEPT. OF COMMUNICATIONS, MARINE & NATURAL RESOURCES | | | | | | |
| PROJECT KILLYBEGS F.H.C. DEVELOPMENT SITES | | | | | | |
| TITLE LEASED AND AVAILABLE SITES (DRAFT) | | | | | | |
| DRAWING No. ENG6/KB/LEASES | | | | | | DWG. STATUS PRELIM. <input checked="" type="checkbox"/> TENDER <input type="checkbox"/> CONST. <input type="checkbox"/> RECORD <input type="checkbox"/> |
| REVISION | | | | | | |



5.4.2 Killybegs Stevedoring Services

Established in 1988 provides a 24 hour service specialising in the supply of experienced Cargo Handling personnel. They have an office within the perimeter of the new Fishery Harbour Centre development. A workforce of approximately 50 is available in order to satisfy both the long term staffing requirements of customers as well as any short "ad-hoc" requirements that may arise.

5.4.3 Killybegs Shipping Services

Killybegs Shipping Services (Rockall Shipping Ltd.) is a ships agent, ship broker and offshore service contractor. KSS provides the full range of ships agent's services, including: berthing, pilotage, wharfage, customs clearance, vessel attendance and stevedoring. KSS was established in June 2004 and the management and staff bring over 70 years experience in the shipping industry.

5.4.4 Sinbad Marine

Sinbad Marine Services Ltd provides a ships agency service, shore based management & marine plant hire. Established 27 years ago Sinbad acts as ship's agents for over 500 vessels ranging from small fishing vessels, to large luxurious cruise liners. Sinbad Marine Services is an ISO9001 accredited company and is also a member of the Irish Ship Agents Association, International Ship Suppliers Association and Irish Wind Energy Association. Sinbad Marine also offers a stevedoring service to arriving vessels and pontoon and tugboat hire.

5.4.5 Killybegs Fishermen's Organisation

The Killybegs Fishermen's Organisation (KFO) offers a range of services to its members, including, representing and negotiating on behalf of members' fishing interests at national and EU levels, advising members on fishing-related issues such as licences, capacity, accessing available grant aid, etc. and acting as an information conduit on key fishing issues such as Total Allowable Catches (TACs) and quotas.

5.4.6 Sea Angling Boats

There are four sea angling boats licensed to carry passengers available for charter hire, they are MV Meridian, MV Huntress Blue, MV Pinalia, MV Dunai Mara. Access is usually from the steps at the Blackrock Pier. There are two thriving Sea Angling Clubs in Killybegs and they hold up to six angling competitions every year.

5.4.7 Mooney Boats

Mooney Boats specialise in the construction, refurbishment and repair of commercial fishing vessels up to 600 tonnes. They build in wood and steel and have constructed passenger ferries and catamarans. Their services

include steel and aluminium fabrication; overhauls; repair and maintenance; hydraulics; electronics; pneumatics; installation of equipment and machinery; cleaning and painting, and specialist projects such as wheelhouse enlargement and vessel lengthening. They operate the Synchrolift, which is located in the new harbour section.

5.4.8 Killybegs Seafoods

Killybegs Seafoods Ltd. was founded in 1968 and is one of the principal Irish processors and exporters of pelagic fish, specialising in mackerel, herring, horse mackerel, sprat, blue whiting and silver smelt. Killybegs Seafoods Ltd. has modern fish handling equipment with capacity to store 800 tonnes of chilled fresh fish, 300 tonnes of daily air-blast freezing and 6000 tonnes cold storage space. The company operates a HACCP quality control system

5.4.9 Errigal Fish Company (Donegal Fish Products)

Errigal Fish Company was founded in 1972 and is a member of the Lett Group. Their modern processing plant consists of two factories both of 8000 square metres in size. The facilities have been HACCP approved and incorporates four Horizontal Plate Freezers, 6,500 metres of cold storage. There are also Automatic Filleting & Marinating Processing Lines and purpose built shellfish cooking lines capable of handling forty tonnes per day. The plant also includes an in house laboratory for microbiological, chemical and organoleptic analysis and a biological waste-water treatment plant. Their products, which include crab, whelk, mackerel and herring, are marketed under the Donegal, Donegal Krabba, Tuskar Rock and Celtic brands

5.4.10 Gallagher Brothers Fish Merchants

Gallagher Brothers is a family-owned business founded in 1919, which now employs 200 people. Based in Killybegs, the company has three processing plants in Co. Donegal. Two plants are located at Killybegs and one is located at Teelin. Gallagher Bros. is also engaged in deep sea pelagic trawling through Ocean Trawlers Ltd. The company also owns Ocean Farm Limited, a salmon farming company that operates from two sea sites in Donegal Bay.

Gallagher Brothers process and export a wide range of fish products including herring, mackerel, sprat, Atlantic salmon and demersal fish to markets which include the EU, Japan, West Africa, Eastern Europe, Korea, U.S.A., Egypt and China. These products are sold as whole round and gutted fish, fresh and frozen fillets and conserved and semi-conserved products.

5.4.11 Arctic Fish Processing

Arctic Fish Processing is a wholly owned subsidiary of the Atlantic Dawn Group. It operates a modern pelagic freezing plant with a daily freezing capacity of 170MT and a cold storage capacity of 10,000MT. The factory procures fresh catch from local RSW vessels. The factory operates with 8

horizontal blast freezers and sells its products in West African, Middle Eastern, Central American, Far Eastern and Eastern European markets.

5.5 SWOT Analysis

5.5.1 Strengths

- Recent €50 million development of ultra modern pier facilities incorporating two quays and a significant land area suitable for development of marine related activities
- Sheltered location in a deepwater bay.
- Excellent comprehensive local marine support infrastructure
- Close to fishing grounds
- Large number of berths available for fish landing
- Synchrolift and local engineering services available for repairs
- Ship chandlers, food, diesel oil and waste removal available

5.5.2 Weaknesses

- Declining fish catch
- Remote from major population centres
- Poor road infrastructure (although this is improving)

5.5.3 Opportunities

- Opportunity to attract new landings from foreign fleets
- Decommissioning of Whitefish fleet
- Oil industry support activity
- Wind farm construction support activities
- Encouraging additional throughput through the provision of a local Border Inspection Post
- Capacity availability to attract clean fast moving cargo

5.5.4 Threats

- Poor management and housekeeping in the Harbour area
- Need to avoid displacement

5.6 Key Matters Raised

During the meetings with stakeholders, a number of matters were raised. Including:

- Regular information interchange through User Meetings is important; these meetings should be quarterly
- There is a growing need for the local harbour management structure to have a commercial focus with a degree of autonomy to allow for local decision making
- There is a growing sense of frustration regarding the lack of progress in putting lease arrangements in place for many of the sites in the new harbour centre area.
- There is a need to ensure the speedy issuing of a foreshore licence for the recently approved fishmeal plant. Without this licence the development cannot go ahead with consequent delays to both the construction and commissioning phases. These delays will have an impact on Harbour Centre revenues.
- The importance of having and developing a good interaction and relationship between the fishing, commercial and marine tourism sectors
- Without a proper marina facility the efforts to further develop marine tourism/ leisure activities centred on Killybegs will be severely hampered.
- There is the need to ensure proper access facilities for the sea angling boats is available if the proposed Marina development plans come to fruition
- The provision of a crane on the pier in the new section of the fishery harbour centre needs to be addressed urgently

5.7 Key Priorities

The key priorities for the Killybegs Fishery Harbour Centre are

- Enable the Harbour Centre to be operational on a 24/7 basis
- Work to implement SFPA hours of operation to facilitate efficient port operation
- Implement formal stevedoring licensing process in order to properly control quayside activities
- Put in place on shore services to facilitate cruise ship passengers, i.e. covered walkway etc.
- Designate FHC as a pilotage district to allow for proper control of tugboat operations
- Put in place a satisfactory tugboat service to facilitate expansion of commercial activities

5.8 Vision, Objectives and Actions

5.8.1 Vision

Our vision for the Killybegs Fishery Harbour Centre is:

To have in place a safe, adequately-resourced, commercially-focused and viable harbour, professionally managed, that caters for the ongoing needs of the Irish and foreign fishing sector and other stakeholders, including marine tourism and harbour-related industry, operating in harmony together

5.8.2 Objectives

The Strategic Objectives for Killybegs Fishery Harbour Centre over the next five years are

- To ensure that a commercial focus applies to the management and operation of the Fishery Harbour Centre
- To broaden the activity base of the Harbour Centre

- To increase fish landings to 109,000 tonnes by 2013
- To grow revenue turnover to €1.89 million by 2013
- To reduce the level of debtor days overall to 30 days
- To have in place a management structure and system that reflect good business practice
- To conform to all industry norms on Health, Safety, Security and the Environment

5.8.3 Actions

We present below a range of inter-related Actions associated with each of the Objectives that we have established for Killybegs Fishery Harbour Centre.

Commercial Focus

A key requirement for the ongoing success of the fishery harbour sector is a commercial focus. In this regard, Killybegs harbour management

- will have a bottom-line focus through providing an input into, monitoring and management of the local budget
- will identify, promote and encourage commercial initiatives by the fishery harbour as well as by local stakeholders including areas of opportunity for suitable commercial trades
- will, as part of the process of encouraging local development and initiatives, contribute to an integrated marketing programme with local stakeholders; in this regard, the Harbour will
 - Create awareness of Killybegs as a Marine Tourism Location
 - Support current Tourism related activities – sea angling, cruise liners and the proposed marina.
 - Identify gaps in the marine tourism product mix
 - Support the relevant agencies to strengthen the Tourism product mix and to tap into the growing market for activity related holidays
- will review on an ongoing basis local assets for opportunities to generate revenue and reduce costs
- will contribute to the development and maintenance of a local website and promotional material
- will enhance relationships with local agents, marine operators etc in the interests of growing traffic and trade
- will continue the practice of regular user meetings as a means of exchanging information, proposals and concerns

Broadening the Activity Base

From our discussions, submissions and analysis, it is clear that Killybegs has the potential to expand its activity and business base. Likely areas include:

- Marinas
- Marine Leisure
- Local Sports and Activity Clubs
- Clean, Commercial Freight Traffic
- Offshore Oil Exploration
- Cruise Business

- Border Inspection Post to facilitate the import of fish from non-EU Third Countries for local processing
- Integrated Development of Local Proposals

Local harbour management and Department staff will work with relevant stakeholders to develop potential areas of activity and facilitate them as appropriate.

Increased Fish Landings

While landings of fish from the fishing sector is unlikely to change significantly for quota reasons, there are opportunities to increase landings, and possibly local processing, from foreign vessels; the Japanese tuna fleet off the Irish coast is a particular opportunity. Local management will contribute to and support Departmental market effort to

- Arrange visits to principal foreign fleet owners
- Promote integrated marketing: fishery harbour, processors, agents
- Consider trade missions, e.g., to La Coruna/Figo
- Explore twinning/partnerships with foreign fishery harbour centres
- Promote relationships with agents, marine operators etc to encourage greater landings from foreign fishing boats

A large amount of fish caught by Irish vessels is landed in other countries. Every effort should be made to encourage back this fish to Irish Fishery Harbour Centres through local discussions with vessel owners etc

Revenue Growth

It is important that all Fishery Harbour Centres optimise their revenue potential. This requires that:

- All properties have up-to-date lease arrangements and property valuations
- It is important to ensure that all tenants pay required lease charges
- There is also a major responsibility to ensure that all other harbour users pay their charges
- Harbour management should consider how harbour local assets, e.g., marinas, can be exploited from a revenue perspective
- The harbour manager has equally a responsibility to review his costs base and ensure value for money

Improvement in Debtor Balances

Debtor balances at many of the Fishery Harbour Centres are very high. The Harbour Master, in consultation with SFAD should

- Contribute to a Review of the Debt Collection Process
- Play a role in ensuring that all payments are made on time
- Where there are outstanding debts, propose and recommend solutions for their resolution
- Advise on whether the use of a Debt Collection Agency is warranted
- Recommend, where appropriate, to proceed with legal enforcement

Good Business Practice

The operation and management of Killybegs Fishery Harbour Centre will conform to good business practice. This requires

- Recognition of responsibility for the safe operation of the harbour while embracing the need for a commercial focus, the potential for growth and diversification of activity
- The application of Performance Management through the setting, monitoring and management of local budgets
- Participating in training opportunities
- Promoting good two-way communications with Department staff and stakeholders
- Scheduling regular user meetings
- Complying with all regulations and legislation
- Compliance with Job Description duties
- Offering leadership to local staff
- Clear accountability
- Embracing corporate social responsibility

Health, Safety, Security and the Environment

Health, Safety, Security and the Environment are major aspects of harbour control, and form a core part of harbour management's responsibility

- Ensure the harbour complies with all relevant legislation & EU Directives
- Have in place and implement communications & clear signage plan
- Contribute to and follow all Procedure Manuals for all core activities including accident, emergency, environmental, accounting, training needs analysis and recruitment procedures
- Provide CCTV facilities for enhanced security where required
- Commission an area masterplan addressing space/storage management for nets, net repairs, waste etc
- Commission local traffic management plan in association with Donegal County Council
- Ensure clear segregation between the various harbour activities, i.e., between the fishermen, commercial landings and maritime leisure activities
- Address and have disposed all derelict boats in the harbour

5.8.4 Key Performance Indicators

The performance of Killybegs Fishery Harbour Centre shall be monitored through the use of Key Performance Indicators.

The Key Performance Indicators to be monitored and reported over the five-year timeframe include:

- Revenue from Harbour Dues
- Revenue from Leases
- Other Income
- Costs
- Operating Surplus
- Capital Expenditure
- Debtor Days
- Bad Debts
- Vessel Arrival Numbers by Nationality
- Synchrolift Lifts
- Landings from Irish Vessels
- Landings from Foreign Vessels
- BIP Throughput
- Passenger Numbers
- Freight Volumes
- Health & Safety Incidents
- Training Days
- No of User Meetings

5.9 Marketing Initiative Group

In April 2007 Mr. Kevin Bonner, the former Secretary General of the Department of Enterprise and Employment, was appointed to chair a Steering Group of key officials of State Agencies to develop a marketing strategy for Killybegs Fishery Harbour Centre to dovetail with two other parallel initiatives, namely, the Harbour Users' Forum and this initiative of preparing a Business Plan for each of the five fishery harbour centres.

The Terms of Reference for the Steering Group were to:

- Build on previous marketing initiatives for the harbour
- Consult with the various stakeholders in the harbour
- Examine the potential to attract new business to the harbour
- Draw up a marketing plan to target and attract new business
- Oversee the establishment of structures to drive the initiative forward

Mr Bonner's Report was published in April 2008 and addressed such matters as

- Infrastructure

- Fishing facilities
- Fishing, Food Processing and By-Products
- New Business
- Oil and Gas Business
- Oil Rig Services
- Marina, Tourism and Cruise Business

5.10 Outline Landings and Financial targets

Outline landings and financial Targets for Killybegs Fishery Harbour Centre for the next five years have been prepared.

The landings projections incorporate both landings from Irish vessels and landings from foreign vessels. The 2008 landings from Irish and foreign vessels are set at the average of the respective catches for each for 2005, 2006 and 2007. Given quota constraints, landings from Irish vessels increase marginally over the subsequent four years to take account of extra landings from non-quota fish etc while landings from foreign vessels grow at a rate of 10 per cent per annum from the 2008 base.

The income targets relate to Harbour Dues, Rental and Other Income only and exclude state grants and revenue from once-off income such as Property Sales and Lease Premia. A five per cent increase in harbour dues' rates from Irish fish landings is assumed from 2009.

Rental and Other Income grow at two per cent per annum from a 2008 base derived from historical expenditure over the last number of years.

Expenditure excludes any capital purchases such as trucks and vessels, and grows at a rate of 4.0 per cent per annum from 2006 but modified by the exclusion of any exceptional costs in that year.

Debtor Day targets are also presented.

Table 5.7: Outline Catch and Financial Targets 2008 - 2013

| | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|-------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|
| Catch (Tonnes) | 101,800 | 103,000 | 104,250 | 105,700 | 107,000 | 109,000 |
| Dues, Rent & Other | 1,555,000 | 1,757,500 | 1,787,000 | 1,819,000 | 1,853,000 | 1,891,000 |
| Expenditure | 1,000,000 | 1,040,000 | 1,082,000 | 1,125,000 | 1,170,000 | 1,217,000 |
| Debtor Days | | 90 | 75 | 60 | 45 | 30 |

Source: Consultants' Estimates

5.11 The Role of the Sea Fisheries Administration Division

The Sea Fisheries Administration Division has a critical role in championing and driving forward the recommendations.

Its role is to

- Organise for the training and development of the harbour management staff to enable them oversee the management and development of the Fishery Harbour Centres.
 - Endorse and recommend the Business Plan Report Proposals
 - Lead Management Change
 - Promote a Business and Commercial Focus
 - Carry out Training Needs Analysis for Induction and Ongoing Training
 - Put in place a Performance Management System and Database
 - Establish Baseline and Target Values
 - Implement Performance Monitoring
 - Introduce greater devolvement of responsibility and accountability to Fishery Harbour Centre Managers
 - Enhance the information exchange between the Fishery Harbours and Department Administration
 - Consider outsourcing the operation and maintenance of synchrolifts and other plant through service contracts or other vehicles
 - Ensure that harbour charges and lease agreements are and maintained up-to-date
 - Finalise the preparation of Procedure Manuals
 - Support and participate in the Fishery Harbour Centres' User Meetings
-
- Develop, fund and lead Marketing Initiatives including Websites and promotional literature
 - Commission Area Masterplans where required
 - Schedule and fund critical Infrastructure Needs
 - Review progress of the recommendations on a regular basis and revise where required

5.12 Implementation and Monitoring

Implementing the plan will require significant change in the way in which the Harbour is managed with increased local discretion and decision-making but also increased responsibility in terms of delivering on strategic objectives and having responsibility for budgetary control.

A fundamental change will be the focus that the Department is placing on the Fishery Harbours having a commercial dimension, with specific financial objectives to be met.

Capturing the potential of Killybegs Harbour will require a commitment to pursuing the various strands of the Plan's objectives. This will require management to be actively engaged in a range of marketing activities to promote the development of the Harbour. Many of these marketing activities will be undertaken in partnership with the stakeholders.

Implementation of the overall recommendations will be through joint action of Department management and FHC management with the relevant lead determined by the nature of the action.

We propose that the existing Performance Management and Development System should be used to track the performance and progress of harbour activity.

The following is a suggested template that could be used to monitor progress; the KPIs should be drawn from the list set out above, with the Baseline figures provided by the Harbour Master and the Target Values agreed between FHC management and their line manager.

The responsibility for recording progress should be that of the Harbour Master, and reporting each year should be at least half-yearly and, ideally, quarterly for the most critical KPIs, e.g. Debtor Days, where rapid reaction is necessary.

Table 5.8: Performance Management Template

| <i>Killybegs</i> | <i>2008</i> | <i>2009</i> | | <i>2010</i> | | <i>etc</i> |
|-------------------------------|-------------|-------------|--------|-------------|--------|------------|
| Key Performance Indicator | Baseline | Target | Actual | Target | Actual | |
| KPI1 (eg Harbour Dues) | | | | | | |
| KPI2 (eg Debtor Days) | | | | | | |
| KPI3 (eg Cargo Tonnage) | | | | | | |
| KPI4 (eg No of User Meetings) | | | | | | |
| etc | | | | | | |