



INLAND FISHERIES SERVICE

CORPORATE PLAN 2004 - 2009

VISION STATEMENT

For Tasmania to have sustainable inland fisheries of a world class standard.

MISSION STATEMENT

To manage Tasmania's inland fisheries for the benefit of anglers and the Tasmanian community

1. Preliminary

Economic Impact

The inland fisheries resource is of high value to Tasmania. It is estimated the value of the fishery to the State is somewhere between \$35 to \$40 million per annum. The fishery is an important marketing tool to Tourism Tasmania. It is heavily promoted both nationally and internationally as a key Tasmanian attraction.

Inland fisheries underpins the regional economy across Tasmania particularly in the Central Highlands.

Financial Background

The Inland Fisheries Service (IFS) has undergone a series of reviews in recent years culminating in a final review of the core functions which concluded in early 2003. As a direct result of this review, an agreement was reached between the Minister for Primary Industries, Water and Environment and the Treasurer to formalise the annual Government grant from the consolidated fund to \$1 117 000 which included \$395 000 per annum for carp control . Central to this decision by the Government was an understanding that the IFS would operate within its grant allocation and not seek budget supplementation as had occurred in recent years.

The core activities of IFS were determined and include:

- freshwater recreational fisheries management;
- native fish management;
- pest fish management;
- Salmon Ponds hatchery;
- Hydro & biological services; and
- corporate services.

The activities determined as potentially non-core and requiring further evaluation include:

- Salmon Ponds tourism and promotion;

- commercial fisheries; and
- Corra Linn.

2. Executive Summary

Statement of Corporate Intent

The Inland Fisheries Service (IFS) exists to:

- manage the inland recreational fishery of Tasmania;
- manage inland commercial fisheries and associated aquaculture industries;
- manage native fish; and
- manage pest fish.

As per Review of the Roles and Responsibilities of the IFS for Budget Committee 2003

- The key outcomes of the Inland Fisheries Service are to improve performance in a range of key fisheries but, in particular, Craigbourne Dam, Curries Dam, Lake Barrington, Brushy Lagoon and Four Springs. Other lakes will also be targeted with adult transfers and other initiatives.
- To develop financial management mechanisms to meet contemporary management needs of the Service.
- To clearly recognise whom our customers and industry associates are.
- To adopt a commercial approach to the way we conduct business and deal with our customers.
- To restructure the organisation to meet future needs.

The key performance indicators are:

- to increase revenue in all areas but particularly the number of licences resulting in a corresponding increase in individual participation (targeted increase in licence holders 6%) ; and
- to achieve an overall reduction in costs.

Strategic Outcomes

1. To maintain a financially viable business.
2. To excel in fisheries management.
3. To apply exceptional corporate governance.
4. To maintain a strong customer focus.
5. To adopt contemporary human resource management practices.
6. To manage our main undertakings and other assets on a commercial basis.

3. Strategic Goals for Years 2004 to 2009

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| 1. | To re-implement the finance system so that it meets the needs of the Service from both financial reporting and management perspectives. <i>As per Review of the IFS for Budget Committee (2002)</i> | 2005 |
| 2. | To review the assets held by the Service on a commercial basis with the intent of rationalising those that do not meet either the criteria of being necessary for core business or cannot be justified when applying cost benefit principles or considering other alternatives. | 2006 |
| 3. | To formalise corporate management and adopt corporate governance practices as far as applicable in line with the Corporate Governance Handbook for Government Business Enterprises published by the Department of Treasury and Finance. | 2004 |
| 4. | To report to the Minister for Primary Industries and Water on a quarterly basis with reporting as undertaken by Government Business Enterprises. <i>As per Review of IFS for Budget Committee (2002)</i> | 2004 |
| 5. | To implement fisheries management practices that improves fisheries performance, increases fisheries diversity in the product we are providing. <i>As per Review of the IFC (1995)</i> | ongoing |
| 6. | Develop close relationships with commercial hatcheries concerning supplies of fish. | 2005 |
| 7. | Develop, document and proceed with a stocking program that complements the fisheries management program. <i>As per Review of the IFC (1995)</i> | ongoing |
| 8. | To enter into water management level agreements that complement fisheries management plans. | 2006 |
| 9. | Enhance fisheries protection through enforcement program, monitoring and eradication of pest species and the monitoring of the aquarium industry. <i>As per Review of the IFC (1995)</i> | 2005 |

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| 10. | To consider and participate in improvement of access to key waters where we have the financial capacity to do so. | As feasible |
| 11. | To apply a customer orientation in our dealings with all stakeholders. | 2004 |
| 12. | To adopt standards of excellence in the presentation of our facilities, the work we do and ourselves to the public at large. | 2004 |
| 13. | To restructure the IFS to prepare it for the challenges that lay ahead and align its structure to the directions being taken. | 2005 |
| 14. | To communicate with all staff the organisational directions and introduce accountability requirements. | 2004 |
| 15. | To develop consultative and communicative arrangements with other aligned organisations such as MAST, Hydro Tasmania, Parks and Wildlife and Tourism Tasmania. | Ongoing |

4. Main Undertakings

- The Inland Fisheries Service has its head office at:
6 b Lampton Avenue, Derwent Park
- It has regional offices at:
Prospect, Ulverstone and Liawenee
- It has a fish hatchery at:
Salmon Ponds, Plenty
- Shacks at:
Lake Crescent and Lake Leake
- And land and houses at the disused fish hatchery at:
Corra Linn, St Leonards

The IFS considers that, in view of its corporate resources, financial requirements and for simplifying management that it should rationalise its main undertakings. In doing so it has considered service delivery, the impact on our products and alternative methodologies to achieve the same ends. Lampton Avenue is the principal base and head office, Liawenee is at the centre of the fishery. The Salmon Ponds is essential to ongoing stocking as a hatchery. The tourist operation of the ponds was leased out in 2003. *As per Review of the Roles and Responsibilities of the IFS for Budget Committee 2003.* Lake Crescent is the base for the Carp Eradication Program. Prospect and Ulverstone are used as bases for enforcement and Lampton Avenue fulfils the same function. Corra Linn does not contribute to the fishery at all but utilises resources in its retention

The IFS proposes that its offices at Ulverstone and Prospect be transferred, that Corra Linn and the shack at Lake Leake be sold.

That consideration be given to alternate locations for the head office other than Lampton Avenue and that any alternate option must be supported by a cost benefit and present real savings to the IFS.

As per Review of the Roles and Responsibilities of the IFS for Budget Committee 2003.

The IFS will utilise the proceeds of all asset rationalisations for improvements to fishery performance.

5. Operating Environment

The IFS operates in a competitive environment its principle business and source of revenue is recreational fishing.

Whilst it is the only licensor of recreational fishers, it is not a monopoly in the true sense because its participants can freely choose other activities.

Accordingly, if the fishery does not perform it will lose participants.

Fisheries performance combined with a change in recreational pursuits are considered key factors in the decline in licence sales.

The IFS needs to improve fisheries performance across a range of waters and to increase participation.

The IFS has statutory responsibilities under the Inland Fisheries Act to manage the states freshwater fishery. It is also required to protect native species and protect against pest fish.

The fishing fraternity consider they have significant ownership of the industry and are sensitive to any issues that affect individuals traditional fishing waters.

Whilst stakeholder passion can be an asset, it has also been an inhibitor to change.

6. Planning Assumptions

The plan has been developed on the basis that approval will be granted for the structural changes both of physical and human resources.

That there will be political will to seek the changes necessary to ensure long term sustainability of IFS.

That long term success will be achieved in the eradication of European carp.

Licence revenue will continue to be indexed by CPI movements.

That licence numbers will increase with the focus moving to fisheries performance. Over the term of the plan, the aim is for a 6% increase in licence numbers.

That employee numbers will be reduced over the term of the plan by natural attrition to meet required financial outcomes.

7. Key Risks

The current fixed grant funding arrangements do not recognise the operating environment of IFS. If the status quo regarding funding arrangements, staffing structures and main undertakings remains, the IFS will continue to operate in deficits for the life of the plan. *Review of the Roles and Responsibilities of the IFS for Budget Committee 2003 recommends that the Administered Payment to IFS be increased in line with SSWA increases Recommendation no (10)*

The most significant risk is that licence numbers will continue to decline as a result of cultural changes to recreation or as a result of non-performing fisheries.

Industry participants usually have a significant investment in their pursuit.

This investment consists of shacks, four wheel drives, boats etc. When participants exit the activity they usually do not re-enter, particularly if they have liquidated their investment.

If this occurs there will be a corresponding financial risk that will affect IFS liquidity.

The current relationship of salaries to operating expenditure is 78% salaries compared to 22% operating.

The IFS is a field based enterprise and the mix needs to change to reduce salary costs and increase operating expenditure to achieve effective utilisation of staff and proper fisheries management.

Pest fish pose a major risk to the fishery. Indeed, if carp had not have been contained and had spread throughout our water ways it is widely recognised that the fishery would have collapsed. *Gambusia* are a significant problem that require containment. IFS does not have the resources to control this pest.

8. Strategic Directions

The key result areas and strategic directions are to achieve successful structural rationalisation.

To develop and maintain good management financial reporting.

To develop fisheries that perform.

To improve access to fisheries.

To increase participation in the fishery.

Key Result Area

1. Financial Management

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| <p>Outcomes sought:</p> <p>To maintain a financially viable business.</p> | <p>Strategic goals:</p> <p>That, by December 2005, the IFS will have re-implemented Finance One to meet the needs of the Service from a management and financial reporting perspective.</p> <p>To review the assets held by the Service on a commercial basis with the intent of rationalising those that do not meet the criteria of being necessary for core business or cannot be justified when applying cost benefit principles or considering other alternatives.</p> <p>To report to the Minister for Primary Industries and Water on a quarterly basis in line with reporting as undertaken by Government Business.</p> |
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| | Activities | Target Date | Results | Milestones | Performance Measure |
|-----|--|--------------------|--|---|---|
| 1.1 | To re-implement Finance One. | 31.12.2005 | Improved reporting and efficiency. | <p>Review existing system and redesign chart of accounts by 22 July 2005.</p> <p>Design reports to produce standard financials.</p> <p>Take over transactional processing for debtors and credits and bank reconciliation from DPIWE.</p> | <p>Finance One functioning effectively with concise and accurate reporting.</p> <p>Transactions being processed promptly and accurately by IFS.</p> <p>Reconciliations being undertaken by IFS.</p> |
| 1.2 | Actively manage IFS cash flow. | 31.03.2005 | Greater interest return. | | Increase revenue. |
| 1.3 | Review all assets held by the IFS on a commercial basis. | 31.12.2005 | Reduce asset holdings to essential items only. | Dispose of identified holdings by 31.12.2005. | <p>Increased cash holdings.</p> <p>Reduced overheads.</p> |
| 1.4 | Increase number of licensed anglers by 6% over a five year period. | 31.12.2009 | Increased revenue. | Adopt a customer focus in the way we treat and manage client groups. | Increased number of licence holders. |

Key Result Area

2. Stakeholder Relationships

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| <p>Outcomes sought:</p> <p>To have a customer based relationship with industry stakeholders.</p> <p>The important relationship between licence selling agents and the IFS be understood and developed.</p> <p>To have a focused approach to communication and marketing with our stakeholders.</p> <p>To be professional in all our undertakings, both in presentation and content.</p> | <p>Strategic goals:</p> <p>To clearly identify who our stakeholders are and to build enduring relationships.</p> <p>To increase participants in the fishery by 6%.</p> <p>To limit our activities to those that achieve the highest profile for the IFS.</p> |
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| | Activities | Target Date | Results | Milestones | Performance Measure |
|-----|---|------------------------|---|---|--|
| 2.1 | Actively promote IFS activities and values to constituents. | Immediate and ongoing. | Reduce political nature of industry. | | Reduce number of Ministerials by 50% over period of plan. |
| 2.2 | Review the business aspects of the licence product with the intent of simplifying licence types, numbers and charges. | 30.06.2005 | Administration made easier for IFS, agents and Service Tasmania | <p>Assess changes required to be made in consultation with stakeholders by 28.02.05.</p> <p>Prepare and submit legislative changes by 31.05.05</p> <p>Communicate changes to stakeholders by 30.06.2005.</p> | <p>Reduced complaints.</p> <p>Reduced cost as products easier to administer.</p> |
| 2.3 | Actively manage fisheries to improve performance and angler satisfaction. | Immediate and ongoing. | <p>Increase number of licence holders.</p> <p>Increased revenue.</p> <p>Retention and satisfaction of existing anglers.</p> | <p>Increase adult fish transfers to strategically determined locations by 30.06.2005.</p> <p>Increase movement of surplus fish from commercial hatcheries by 30.06.2005.</p> <p>Contract grow fish with commercial hatcheries.</p> <p>Enter water level agreements with Hydro Tas</p> | <p>Increased harvest.</p> <p>Increased Licence Sales</p> <p>Number of water level agreements entered into.</p> |

Key Result Area**3. Fisheries Management, Planning and Policy**

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| <p>Outcomes sought:</p> <p>A sustainable fishery which maximises recreational and commercial opportunities whilst maintaining bio-diversity</p> | <p>Strategic goals:</p> <p>Implementing fisheries management systems and policies by December 2005.</p> |
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| | Activities | Target Date | Results | Milestones | Performance Measure |
|-------|---|--------------------|--|--|--|
| 3.1 | Produce a Recreational Fisheries Management Plan. | 30.06.2006 | Formulate a plan encompassing: stocking; regional fisheries; access and infrastructure; and lake level agreements. | <p>Assessment of current status of recreational, commercial, native and pest species on a regional, catchment or individual water basis.</p> <p>Enunciation of the vision, objectives and direction for the future management of the State's fisheries.</p> <p>Identification of key issues at a statewide level and development of association fisheries management strategies.</p> | <p>Completion of plan and adoption by the Minister by the target date.</p> <p>Meet milestones endorsed by IFAC.</p> <p>Assessment completed.</p> |
| 3.1.1 | Administer threatened species recovery plans. | Immediate ongoing | Undertake monitoring and action items documented in recovery plans. | | |
| 3.1.2 | Produce a Commercial Fisheries Management Plan. | 30.06.2006 | Formulate a plan encompassing: wild fisheries; fish farms; and fish dealers. | Identification of key issues at a statewide level and development of associated fisheries management strategies and policies pertinent to commercial fisheries. | |

Key Result Area

4. Corporate Management

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| <p>Outcomes sought:</p> <p>The Inland Fisheries Service will be recognised for its best practice corporate management, through effective leadership, strong corporate governance and contemporary human, financial and resource management practices.</p> | <p>Strategic goals:</p> <p>To formalise corporate management and adopt corporate governance practices as far as applicable with the Corporate Governance Handbook for Business Enterprises, published by the Department of Treasury and Finance.</p> <p>To adopt standards of excellence in the presentation of our facilities, the work we do and ourselves to the public at large.</p> <p>To restructure the IFS to prepare it for the challenges that lie ahead and align its structure to the directions being taken.</p> <p>To communicate with all staff the organisational directions and introduce accountability requirements.</p> |
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| | Activities | Target Date | Results | Milestones | Performance Measure |
|-----|---|-------------------------|---|-------------------|--|
| 4.1 | Implement corporate planning processes | 31.12.2004 | <p>Adopt the corporate plan as submitted and prepare five year estimates, a corporate plan following finalisation of the IFS budget and forward estimates.</p> <p>Produce quarterly milestone and operational and strategic reports to the Minister and the Inland Fisheries Service Executive.</p> <p>Annual review of corporate plan.</p> | | <p>Have an annual calendar for managing the IFS corporate plan and process.</p> <p>Have current strategic and operational plans.</p> |
| 4.2 | Adopt formalised corporate management practices. | 30.06.2005 and onwards. | Improved functioning. | | Preparation of Inland Fisheries Service Executive minutes. |
| 4.3 | To develop an organisational chart aligned to the directions and requirements of the IFS. | 30.06.2005 | Re-design Statement of Duties in line with chart. | | Chart prepared. |

9. Pricing Issues

The IFS operates in the competitive environment of recreation. There are numerous options available to our participants. Accordingly, if they are not happy with either price or performance they will exit the activity. Participants are divided into a number of groups, some of whom could be classified as price sensitive and would exit if price increases in excess of CPI was applied.

An issue to be cognisant of is that the licence fee is only a small component of participant's costs. Other significant costs are fuel, equipment and sustenance and the relationship between these also influences participants involvement.

Licence holders have a range of options in taking out a licence, the IFS is to review its licence options and associated legislation and regulations to ensure that it is simple, easy to understand and administer, and fair and equitable in the way it treats anglers and others in the community.

10. Accounting Policies and Statement of Financial Position

Assets are capitalised where they have a cost or value greater than \$5 000 and a useful life in excess of two years. Freehold and vested land is valued using valuations supplied by the Valuer-General.

The IFS is a debt free organisation meeting commitments as and when they occur.

Liabilities for long service leave and annual leave are calculated at current wage and salary rates.

The IFS has a policy of utilising any proceeds from the sale of assets for improvements in fisheries performance or the building of reserves.

11. Financial Plan

A financial plan has been developed for 2004/2005 at Appendix 1. The budget shows that IFS will record a cash deficit of \$155 000 for the year this will be funded from reserves. An operating deficit inclusive of depreciation and increase in the provision for employee benefits will exceed \$300 000. Based on the year end cash position for 2003/2004 the IFS will continue to incur deficits if structural reform is not undertaken.

However assuming all things being the same as they currently are a deficit of \$210 000 would be expected in 2005/2006 and \$270 000 in 2006/2007.

12. Capital Expenditure Plan

The IFS does not have any capital expenditure proposals at this time.

The motor vehicle fleet will be reviewed on an ongoing basis. However, the policy of disposal at 40 000 kms or two years, whichever ever is the earlier remains. The IFS will consider ways of reducing change over costs.

13. Human Resource Plan

An organisational chart is to be developed that reflects a contemporary business structure. The IFS will move to a multi-disciplined work force able to undertake a range of duties relevant to fisheries management and improvement. The current organisational chart is attached as an Appendix 2.