

**PORT ARTHUR HISTORIC SITE MANAGEMENT AUTHORITY
STATEMENT OF CORPORATE INTENT**

2022-23

MAY 2022



Statement of Corporate Intent 2022–23

DIRECTORS STATEMENT AND AGREEMENT OF SHAREHOLDING MINISTERS

The Board of the Port Arthur Historic Site Management Authority agrees to provide the Shareholding Ministers with financial and other information as set out in this Statement of Corporate Intent.

In signing this Statement of Corporate Intent the Board of the Port Arthur Historic Site Management Authority commits to the targets proposed for the 2022–23 financial year.

This Statement of Corporate Intent has been agreed between:

Grant O'Brien
Chair

Port Arthur Historic Site Management Authority
On behalf of the Board

Hon. Michael Ferguson MP
Treasurer

Hon. Madeleine Ogilvie MP
Minister for Heritage



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INTRODUCTION

This Statement of Corporate Intent (SCI) for the 2022–23 financial year has been prepared in accordance with section 41 of the *Government Business Enterprises Act 1995*. It should be read in conjunction with the Ministerial Charter of the Port Arthur Historic Site Management Authority (PAHSMA).

This SCI is a high-level summary of the Corporate Plan and includes the performance agreement between the Board of the Port Arthur Historic Site Management Authority (PAHSMA) and the Shareholding Ministers.

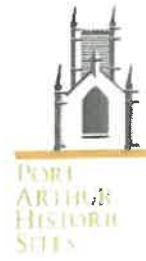
STRATEGIC DIRECTION

The main functions of the Authority, which are defined in Section 7 of the *Port Arthur Historic Site Management Authority Act 1987*, include to:

- ensure the preservation and maintenance of the historic site[s] as an example of a major British convict settlement and penal institution of the 19th Century;
- co-ordinate archaeological activities on the historic site[s];
- promote an understanding of the historical and archaeological importance of the historic site[s];
- consistently with the Management Plan, promote the historic site[s] as a tourist destination;
- provide adequate facilities for visitor use; and
- use its best endeavours to secure financial assistance, by way of grants, sponsorship, and other means, for the carrying out of its functions.

PAHSMA's role includes responsibility for the Port Arthur Historic Site, Coal Mines Historic Site and Cascades Female Factory Historic Site.

The tourism business operates on a commercial basis and income is derived from entry fees, hospitality, merchandising and optional tour products. Tours at the Cascades Female Factory site include heritage tours and the dramatisation of *The Proud & The Punished*.



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The strategic direction of PAHSMA for the period of the Corporate Plan maintains an emphasis on recovery from the effects of the COVID-19 pandemic and ongoing sustainability. The success of PAHSMA requires a balanced approach to our four pillars:

- Conservation
- Customers
- Commercial
- Community.

PAHSMA's strategic intent is based on:

- Meeting and excelling our conservation obligations
- Connecting people to the Australian Convict Story
- Meaningfully reaching domestic and international audiences
- Sustainable funding and rebuilding commercial viability
- Consolidation then sustainable growth
- Being responsive.

The key priority for the 2022–23 year is a year of consolidation and detailed planning in order to create a roadmap to PAHSMA's future based on the goals of excellence in conservation, heritage, tourism, and business efficiency. This roadmap will be used to assist PAHSMA to achieve the following strategic priorities (SP) over the coming 4 years:

- **SP1 Our People** – Building a flexible and resilient workforce and being recognised as an *employer of choice*
- **SP2 Visitation & Interpretation** – Embracing innovation and resetting our focus to new markets and opportunities while enhancing our popular experiences. Providing innovative and well-researched approaches to our story telling and education programs
- **SP3 Technology** – Making other things possible.

These priorities are underpinned by the ongoing focus on:

- **Conservation & Presentation** – Meeting our conservation obligations by continuing to act with curiosity and an investigatory mindset, and connecting to innovations throughout the world.
- **Funding & Financial Structure** – Achieving a sustainable, multi-faceted funding model.



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PERFORMANCE STATEMENT

This Performance Statement has been prepared in accordance with PAHSMA's Ministerial Charter and sets out the key performance targets to be met by PAHSMA in 2022–23 and in accordance with the Treasurer's Instructions.

Financial projections in this Performance Statement remain highly sensitive to any further COVID-19 impacts on tourism revenue, staffing and general operational costs.

The cost of the conservation and maintenance of the historic sites under PAHSMA's management is reliant upon annual State Government grant funding, profits derived from commercial activities, and through any additional Australian Government grants sourced for specific projects.

Underpinning the delivery of the 2022–23 Corporate Plan is the Government's commitment to provide additional equity injections of \$4M in 2022–23 and \$2M in 2023–24 in support of the ongoing recovery from COVID-19.

Financial Returns to Government

PAHSMA is not required to return a dividend to the State nor is it required to pay income tax equivalents or guarantee fees. Rather, any surplus funds from the commercial operations are used to assist in the conservation, preservation and maintenance of the sites and will, in the longer term, reduce the capital investment debt that PAHSMA has with TASCORP.



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Financial Targets

The financial targets outlined in the 2022-26 Corporate Plan are largely determined by tourism industry projections for the COVID-19 recovery of visitation to the State combined with pricing strategies and other initiatives to improve commercial outcomes.

Based on the assumptions used in the Corporate Plan, the financial performance targets are detailed below.

	Target	Estimate		
	2022-23	2023-24	2024-25	2025-26
Operating profit/(loss) (\$'000)	(3,796)	(2,440)	(565)	54
Commercial Revenue (\$'000)	18,584	22,655	25,465	27,366
Commercial Expenses (\$'000)	17,214	19,483	20,670	21,671
Yield per day visitor - PAHS	\$61.39	\$62.20	\$62.20	\$62.20
Yield per day visitor - CFF	\$21.99	\$21.99	\$21.99	\$21.99
Conservation, Convict Hub, Infrastructure, Education and Interpretation Revenue (all sites)(\$'000)	5,560	4,395	4,483	4,573
Conservation, Convict Hub, Infrastructure, Education and Interpretation Expenses (all sites)(\$'000)	10,725	10,007	9,844	10,214



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Non-Financial Targets

PAHSMA’s performance is measured in terms of visitors to the sites, participants on tours, visitor satisfaction and completion of key conservation projects. The key non-financial performance targets are:

	Target	Estimate		
	2022-23	2023-24	2024-25	2025-26
Port Arthur Historic Site – Day Entry visitors	265,000	320,000	360,000	390,000
Port Arthur Historic Site - Ghost tour participants	19,520	22,520	31,000	31,310
Cascades Female Factory visitors	63,150	78,280	80,628	81,434
Employee Satisfaction (TSS Survey)	70+	70+	75+	75+
% of annual conservation projects completed within budget, scope and on time	80%	80%	80%	80%