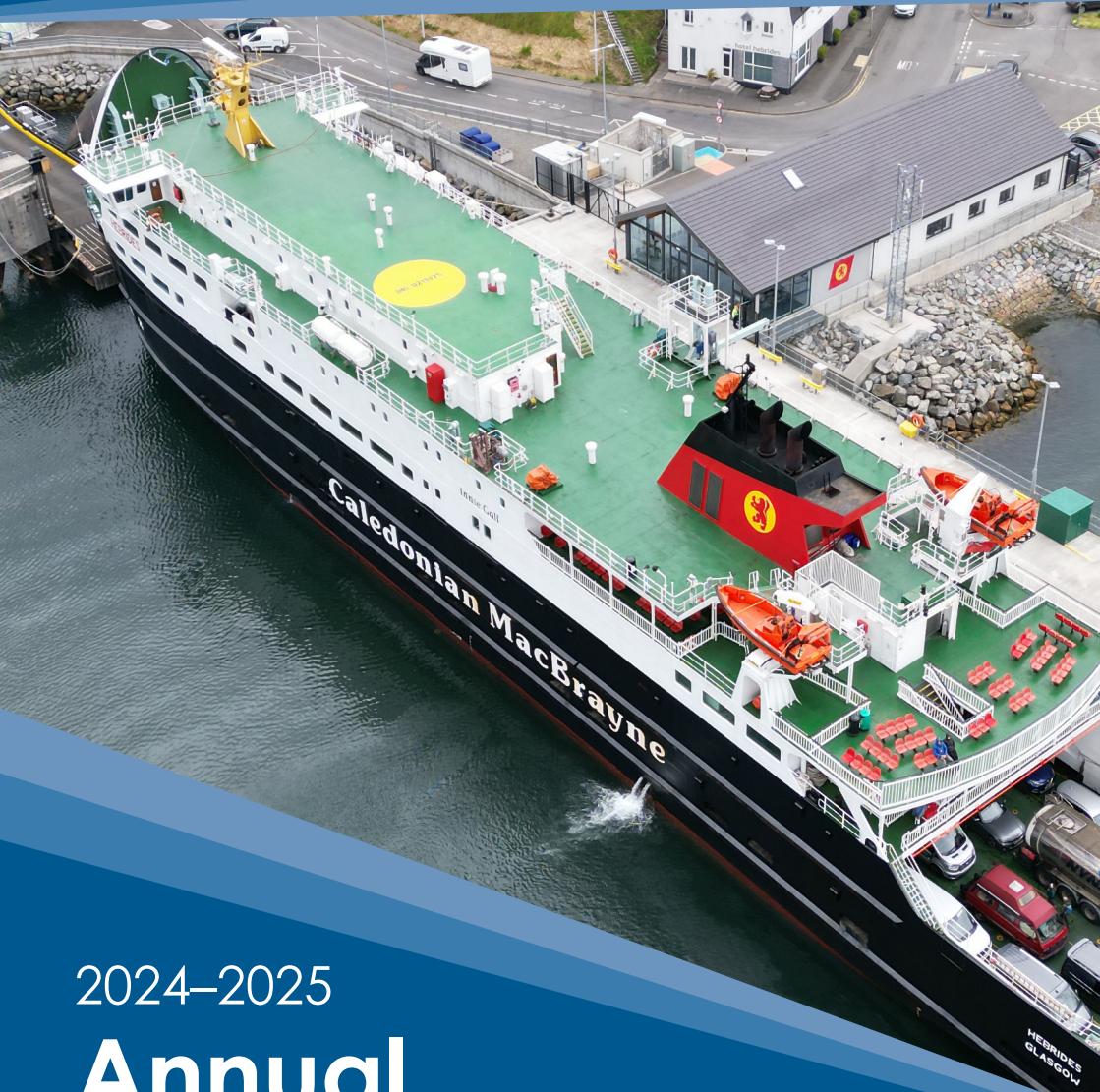




CMAL

Caledonian Maritime Assets Ltd
Stòras Mara Cailleannach Eta



2024–2025

Annual Procurement Report

Contents



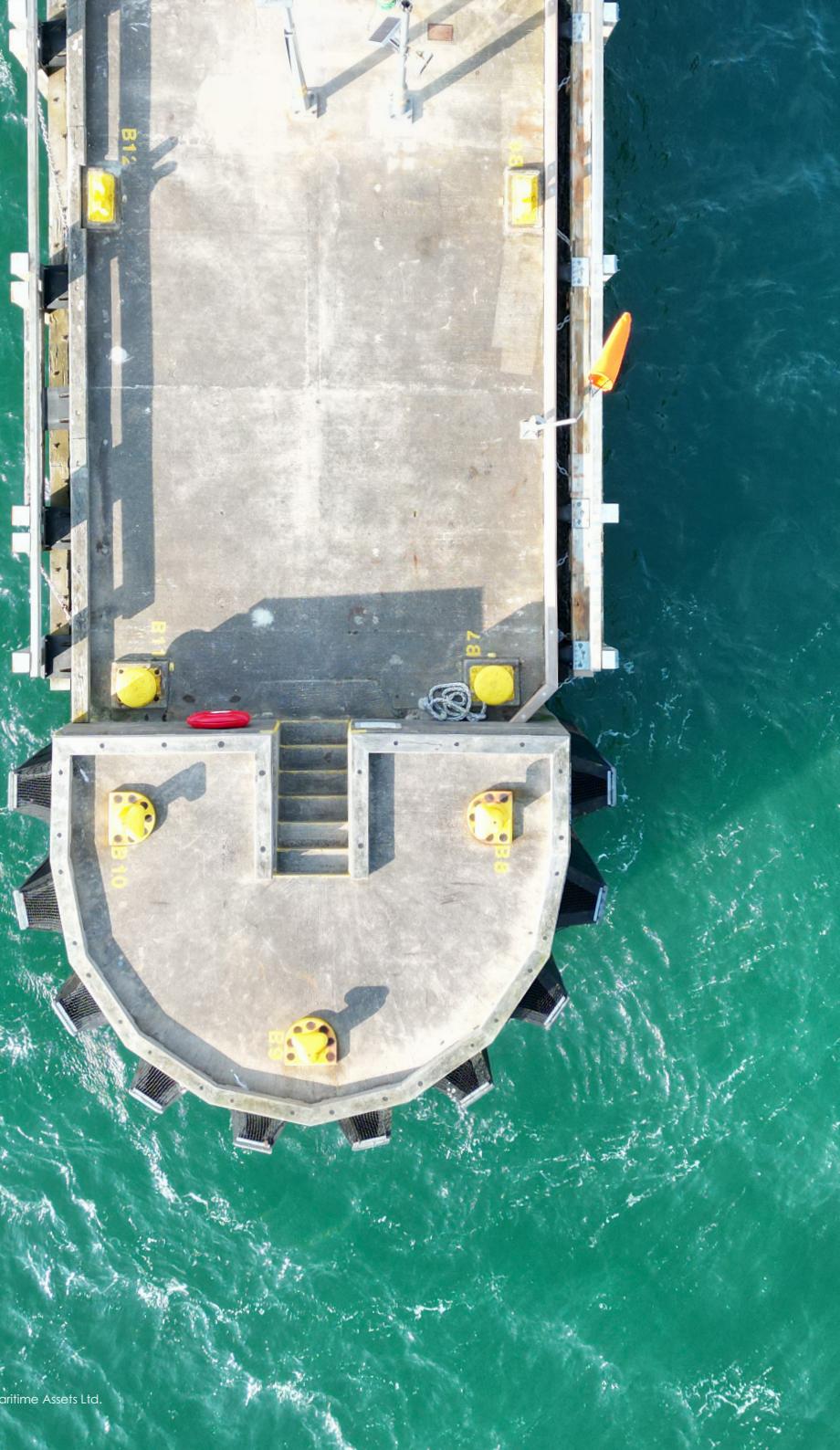
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Caledonian Maritime Assets Limited (CMAL) owns ferries, ports, harbours and infrastructure necessary for vital ferry services serving the west coast of Scotland, the Clyde estuary and the Northern Isles.

We are wholly owned by the Scottish Government, with Scottish Ministers the sole shareholders.

The CMAL Board has an executive management team and supporting staff at headquarters in Port Glasgow.

We aim to provide efficient, cost-effective and safe ferries, harbours and port infrastructure for operators, communities and users in and around Scotland.



Executive Summary

The Procurement Reform (Scotland) Act 2014 requires all public organisations with an annual regulated spend of £5 million or more to prepare and implement an annual procurement strategy. In parallel with this requirement, all organisations must also publish an Annual Procurement Report that summarises procurement activities carried out during the same period as the Procurement Strategy.

CMAL is pleased to publish its 8th Annual Report, summarising our regulated procurement activities carried out in delivering our Procurement Strategy during the period 01 April 2024 to 31 March 2025.

We have continued to use the Open Procedure for the majority of our procurement activity during this period. This increases opportunities for suppliers and reduces the procurement timescales. We continue to award our contracts on the basis of the Most Economically Advantageous Tender (MEAT), balancing price and quality in our procurement decisions. Tender Outcome Reports remain a key part of our procurement process to ensure that our regulated procurement activity is carried out in accordance with CMAL governance, procurement legislation and good practice.

We use the national advertising portal, Public Contracts Scotland (PCS), to advertise all our procurement exercises over £50,000 and use the Quick Quote facility within PCS for projects under the regulated threshold. We use the Public Contracts Scotland-Tender (PCS-T) e-tendering portal for all our tendering activity over £50,000.

An increase in projects undertaken by the overall organisation has led to an increased workload within the procurement function and has resulted in the recruitment of a Senior Procurement Officer in April 2024, bringing our team to 3 FTEs.

1

Summary of Regulated Procurements Completed

The term “Regulated Procurement”, as defined by the Procurement Reform (Scotland) Act 2014, refers to any procurement:

- Above £50,000 for goods and services
- Above £2M for works

All Regulated Procurements are required to be undertaken in accordance with Scottish Procurement Regulations. CMAL owns the ferries, ports, harbours, and infrastructure necessary for vital ferry services serving the west coast of Scotland and the Clyde estuary, and the Northern Isles and, as such, is defined as a “utility” under regulation 12 of The Utilities Contracts (Scotland) Regulations 2016 for the majority of its procurement exercises, with the balance being under The Public Contracts (Scotland) Regulations 2015.

Regulated procurements can refer to new contracts and framework agreements, the award of mini-competitions and call-offs from existing framework agreements.

CMAL awarded a total of seven regulated contracts during the reporting period with a total value of £151,585,697. CMAL awarded a further two contracts that were procured using the regulated procedures, albeit below the regulation threshold. The total of these procurements was £199,810. CMAL also awarded 1 call-off contract that was above threshold with a total value of £498,255. Details of these contracts are shown in Annex A.

The Procurement team works closely with the project managers across the organisation, managing all procurement activity over £15,000. The team advises the wider organisation on a range of procurement issues, including exercises below the threshold levels.

CMAL continues to use the Single Procurement Document (Scotland) (SPD(S)) as a matter of good practice for all activities over £50,000. The SPD(S) ensures that CMAL is informed of criminal convictions, misconduct in relation to money laundering, child labour, human or drug trafficking, as well as environmental legislation.

2

Review of Regulated Procurement Compliance

The Procurement Reform (Scotland) Act 2014 requires that regulated procurements are carried out in accordance with the organisation’s procurement strategy, so far as is reasonably practical, and requires that a review is undertaken of whether those procurements complied with the procurement strategy and, if any did not comply, a statement is produced describing how the organisation intends to ensure that future regulated procurements do comply.

CMAL’s procurement strategy for 2024-27 sets out how regulated procurement will be undertaken in compliance with the Act and includes the procurement team’s Strategic Aims, Objectives and Key Priorities. Progress against these is monitored and reported to the CMAL Senior Management Team. Both the strategy and associated plan are reviewed annually to ensure that new legislative requirements and organisational aspirations are addressed.

All regulated procurement is undertaken in accordance with a set process aligned with the Scottish Government’s Procurement Journey, ensuring each procurement is compliant with both legislative requirements and the strategy.

Throughout this reporting period, regulated procurements were continually reviewed and audited to ensure compliance. This process consisted of reviewing the key supporting documents that underpin the process and monitoring of purchase orders. Additionally, CMAL has a scheme of delegation in place that specifies the approval process based on the overall value of the procurement activity.

There was one instance during the reporting period where a regulated procurement did not comply with the procurement strategy. CMAL has a number of software licences for project management software and wanted to consolidate the existing licences and an allowance for future licences into a single monthly fee using the G-Cloud framework; however, the quote via G-Cloud was significantly more expensive than the quote we’d received directly, and therefore, a direct award was approved. The cost of the 4-year licence agreement will be £237,480. Details of this contract are shown in Annex A.



3

Case Studies

In March 2025, CMAL awarded the latest contract in our vessel replacement programme for 7 small vessels. This was procured using a restricted procedure, with six shipyards being shortlisted and invited to tender. The contract was awarded to Remontowa Shipbuilding S.A., which is based in Gdansk, Poland, with the vessels due to be delivered between 2027 and 2029.

These new vessels will use cutting-edge battery technology to significantly reduce CO2 emissions and operating costs and will use shore power to charge overnight, however, innovation at CMAL is about more than just improving efficiency and cutting costs, it's about setting new environmental standards in the maritime industry, and CMAL will continue to invest in these forward-looking technologies to reaffirm our commitment to providing safe, reliable and sustainable lifeline services.

Community Benefits Summary

Community Benefit Clauses (CBCs) are contractual clauses which can be used to build a range of economic, social, or environmental conditions into the delivery of public contracts. The Scottish Government guidance is to consider including CBCs in contracts with a total value of £4M or more.

While the majority of CMAL's regulated procurement activity falls below the threshold above, Community Benefits are considered as part of the contract strategy process and included where appropriate.

As a direct result of our procurement activities and the contracts awarded, the following benefits have been realised during the reporting period:

Local Employment	<ul style="list-style-type: none"> Sub-contract and direct labour posts filled with local workforce
Local Economy	<ul style="list-style-type: none"> Multiple and long-term rentals at local island hotels, houses and B&B accommodation Use of local shops, restaurants and bars Use of local companies for sub-contracting opportunities Use of local suppliers for materials and plant hire
Charitable Donations	<ul style="list-style-type: none"> Tarbert in Bloom Rhinns Playing Field Association Eriskay Historical Society Sidekick The North Harris Trust





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Supported Business Summary

Regulation 36 of The Utilities Contracts (Scotland) Regulations 2016 allows a utility to reserve contract awards solely for supported businesses to the exclusion of the open market.

A supported business is defined in the regulations as “an economic operator whose main aim is the social and professional integration of disabled or disadvantaged persons and where at least 30% of the employees of the economic operator are disabled or disadvantaged persons.

Due to the nature of CMAL's core business, there is very little scope for using supported businesses. We currently have only one historical contract with a supported business for document management services. There were no new contracts awarded to supported businesses during the reporting period.

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Future Regulated Procurements Summary

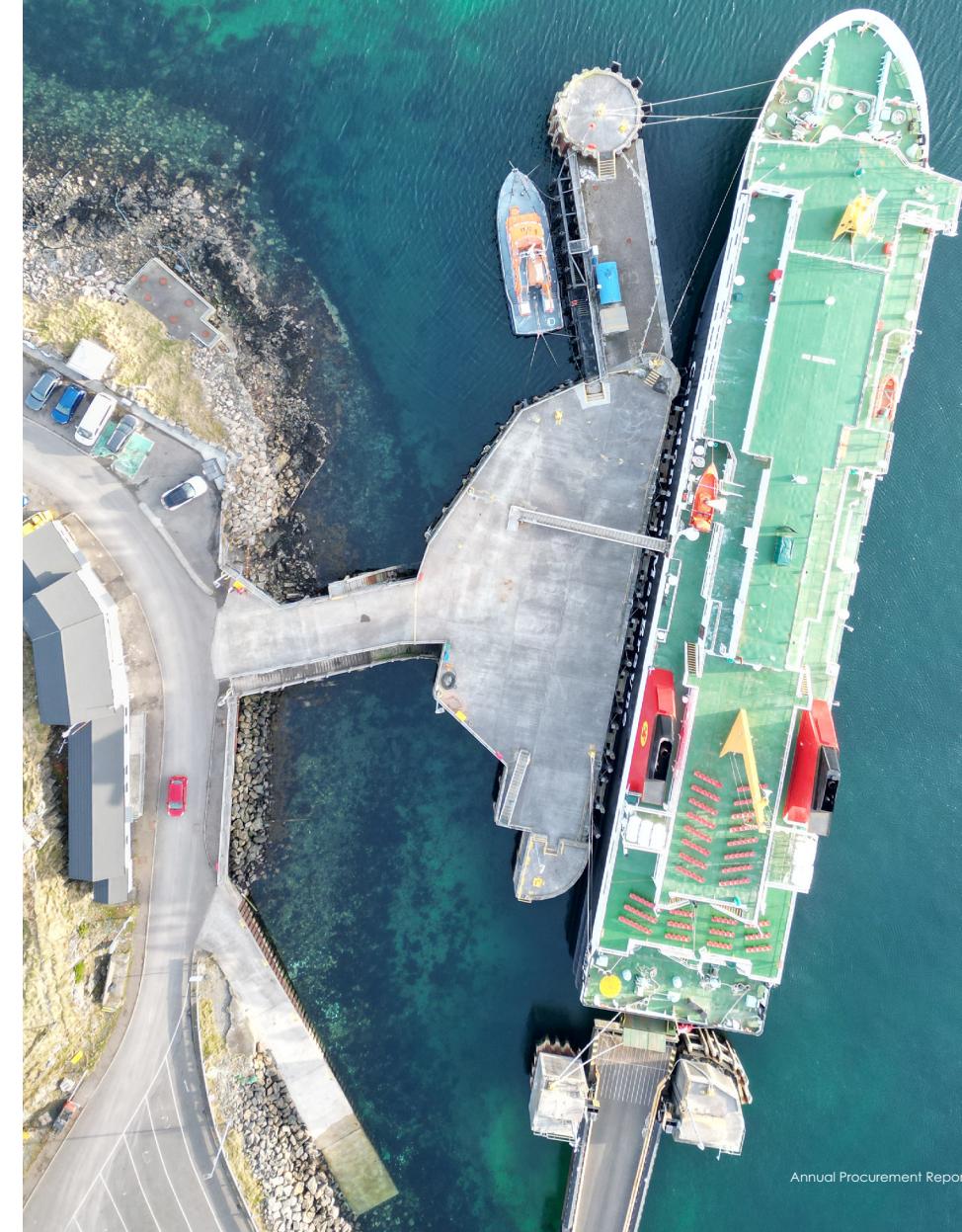
CMAL's planned procurement activity in the next two years will include both recurring contracts and new requirements, and a list of these is detailed in Annex B.

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Other Content for Consideration

Progress on our procurement activities is assessed through the PCIP, a Scottish Government programme that is designed to support and encourage the continuous improvement of procurement and commercial practices. The most recent PCIP Assessment was completed in April 2024 and comprised 11 mandatory questions. CMAL was assessed as follows:

- An advanced level of performance in Contract and Supplier Management.
- Good practice in Procurement Influence, Procurement Strategy, Learning and Skills, and Risk Management.
- Improving areas were identified as Commercial Awareness and Acumen, Continuous Improvement of Procurement Activity, Climate Change Implementation and Exit Strategies, Life Cycle Planning, Contractual Obligations and Additional Benefits and Lessons Learned, with resource constraints being recorded as the primary barrier to a higher rating.
- No developing areas were identified.





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Other Content for Consideration

CMAL is a small organisation employing a range of skilled professionals to maintain our assets. During the reporting period, CMAL's total procured spend was £104,513,926. This included spending on existing CMAL contracts, call-offs from other public body contracts and new CMAL contracts.

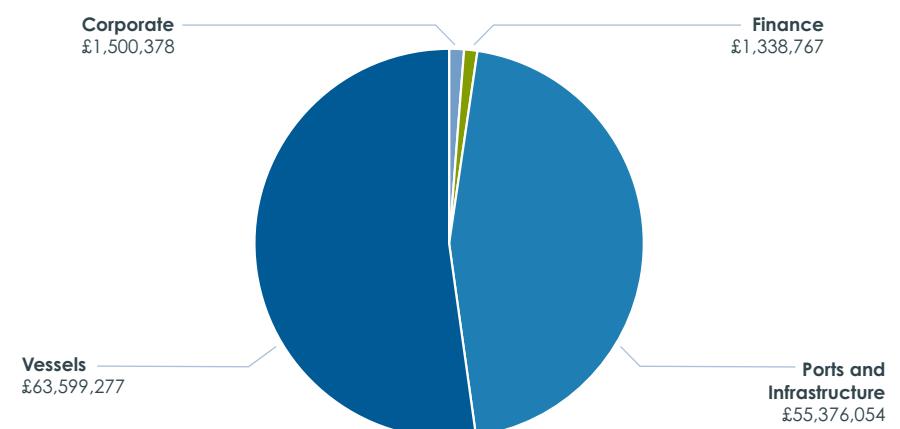
CMAL remains committed to paying our suppliers promptly for goods, services and works. Contractually, we are committed to paying our suppliers within 30 days of receipt of a correct invoice, in line with the Scottish Government's payment performance

targets. Our payment performance figures as of March 2025 are:

- Average number of days for making payments—11 days.
- Percentage of invoices paid within 30 days—94%.
- Percentage of invoices paid 31-60 days—5%.
- Percentage of invoices paid over 61 days—1%.

£104,513,926		
Total Spend		
264	141	71.36%
Unique Suppliers	SME Suppliers	SME Spend
2,173	3,316	£395,886
Purchase Orders Raised	Invoices Paid	Average Spend per Supplier

CMAL's spend can be broken down into the four main business areas of the organisation, and the spend distribution for the reporting period is shown in the following chart:



Annex A: List of Procurements >£50k completed in the Reporting Period 1 April 2024–31 March 2025

Award date	Ref	Title	Supplier	Value
26-Sep-24	CMAL0326	Gangways for New Islay Vessels Class	Tyne Gangway (Structures) Ltd	£458,840
02-Oct-24	CMAL0310	Building Services Consultancy	Graham & Sibbald	£1,033,200
08-Oct-24	CMAL0318	Internal Audit	Macintyre Hudson LLP	£90,000
22-Nov-24	CMAL0317	Shore Charging CMS	ABB Limited	£3,000,000
25-Nov-24	CMAL0325	SVRP Phase II—Concept Design	NaValue GmbH	£192,000
21-Jan-25	CMAL0329	Oban Petrol Interceptors	Alchemy Plant & Contracting Ltd	£109,810
01-Feb-25	CMAL0307	CCTV Maintenance & Repair	Northern Products (Scotland) Limited t/a Scottish Communications	£926,391
19-Feb-25	CMAL0328	Lochboisdale Building Improvements	Alchemy Plant & Contracting Ltd	£75,266
28-Mar-25	CMAL0309	SVRP Vessel Design & Build	Remontowa SA	£145,900,000
31-Mar-25	NCA0211	4-year CEMAR licences	Think Project	£237,480

Framework Call-Offs

Award date	Ref	Title	Supplier	Value
06-Mar-25	CMAL0327	Port Ellen Islay Ferry Terminal Development—NEC4 Project Manager (Scotland Excel)	Turner & Townsend	£498,255



Annex B: List of Regulated Procurements Planned to Commence in Financial Years 2024–25 and 2025–26

Business Area	Project Title	Location (If Applicable)	Approx. Value	Approx. Date to Tender
Business Support	IT Services	Corporate	2,000,000	Dec-25
Finance	Insurance Brokerage Services	Corporate	£6,000,000	Jan-26
Finance	External Audit	Corporate	£350,000	Jan-26
Finance	Banking	Corporate		Call-off from SG Framework
Ports & Infrastructure	Cumbrae Slipway Reconstruction	Cumbrae	£7,500,000	May-25
Ports & Infrastructure	Port Ellen Site Supervisor - Phase 2 (subject to funding)	Port Ellen	£750,000	Jul-25
Ports & Infrastructure	Gasay Ferry Terminal Detail Design	Gasay	£1,500,000	Jul-25
Ports & Infrastructure	Port Ellen Terminal Development Works	Port Ellen	£60,000,000	Aug-25
Ports & Infrastructure	Gasay Ferry Terminal Project Management Services	Gasay	£500,000	Sep-25
Ports & Infrastructure	SVRP Infrastructure Works	Various ports	£20,000,000	Oct-25
Ports & Infrastructure	Tiree Terminal redevelopment	Tiree	£2,000,000	Oct-25
Ports & Infrastructure	Wemyss Bay PAS	Wemyss Bay	£1,810,000	Oct-25
Ports & Infrastructure	Ground Investigation Works SVRP and Gasay	Various ports	£3,000,000	Nov-25
Ports & Infrastructure	HP/985-281 Moorings	Network wide (5 + 3 years)	£400,000	Jan-26
Ports & Infrastructure	Mechanical and Electrical Engineering Framework	Various ports	£2,000,000	Jan-26

Annex B (Continued)

Business Area	Project Title	Location (If Applicable)	Approx. Value	Approx. Date to Tender
Ports & Infrastructure	Designated Person	Network wide	£130,000	Mar-26
Ports & Infrastructure	Harbour Hydrographic and Land Surveys	Network-wide	£300,000	Oct-27
Ports & Infrastructure	Engineering Technical Consultancy Services	Network-wide	£5,000,000	Winter 25/26
Ports & Infrastructure	Oban 1 Berth Modifications	Oban	£13,000,000	Winter 26/27
Vessels	Northlink Freight Vessels		£180,000,000	May-25
Vessels	Lord of the Isles Replacement Vessel		£50,000,000	tba
Vessels	Naval Marine Design & Technical Services		£500,000	Oct-26
Vessels	Small Vessel Replacement Programme (SVRP) Phase 2		tba	End Q4 25/Q126
Vessels	Gourock Dunoon Kilcreggan New Vessels		tba	tba
Vessels	New Vessel for Kerrera Route		tba	tba
Vessels	Isle of Mull Replacement Vessels		£70,000,000	tba





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