



**CMAL**

Caledonian Maritime Assets Ltd  
Stòras Mara Cailleannach Eò



Caledonian Maritime Assets Limited

# Three Year Corporate Plan

**1 April 2025 to 31 March 2028**

*To provide, safeguard and develop ferries and harbours*





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# Introduction

**This three-year corporate plan outlines the three years from 1 April 2025 to 31 March 2028 and also reflects on what has been delivered in the period of 1 April 2024 to 31 March 2025.**

CMAL is wholly owned by Scottish Ministers, based in Port Glasgow, and is charged with owning and developing the Scottish Government assets that support lifeline ferry services to island communities throughout Scotland. We support both the Clyde and Hebrides Ferry Services (CHFS) and the Northern Isles Ferry Services (NIFS).

The CHFS and Harbour Operating Agreement (HOA) contracts are operated by CalMac Ferries Ltd, having been secured on 1 October 2016. We own 26 ports, one marine berthing structure facility, and 32 ferries that support these contracts.

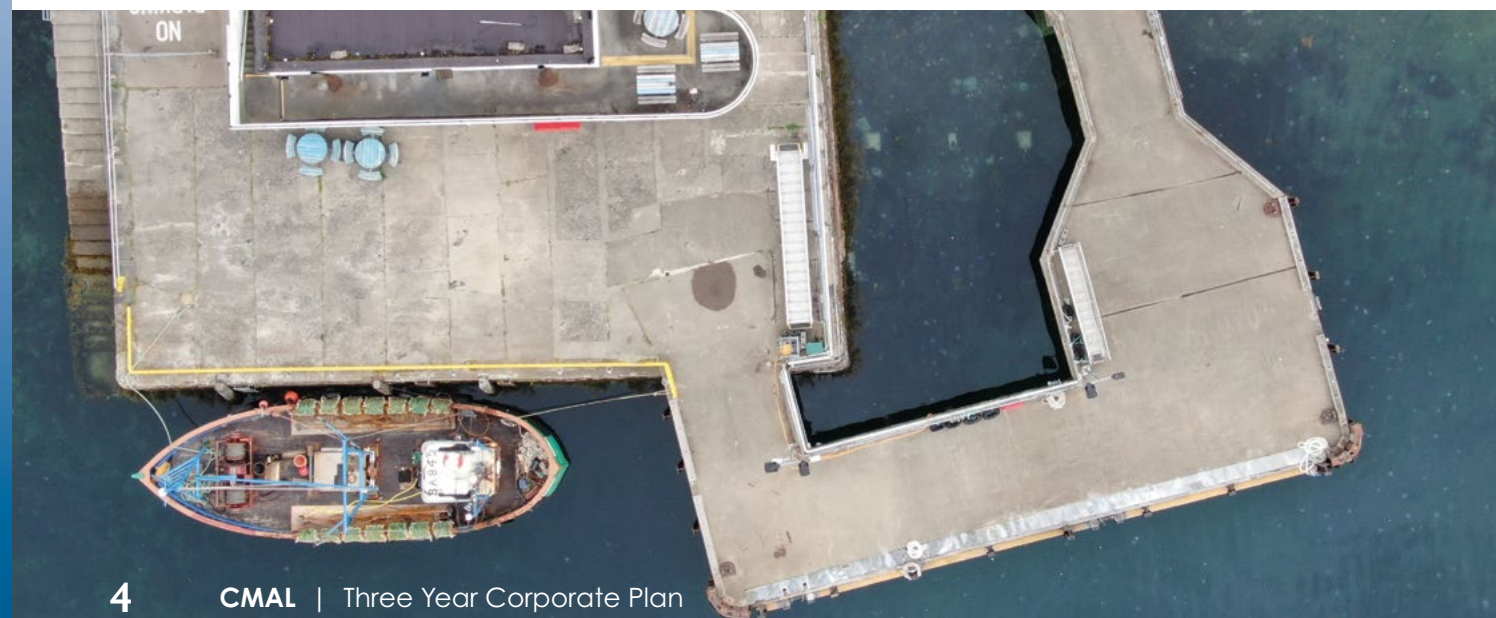
The current NIFS contract is operated by Serco Northlink Ferries Limited. This is a six-year contract with an option for a further two years and commenced on 1 July 2020. We own the five lifeline ferries that operate from the mainland to Orkney and Shetland that support this contract.

We plan our investments to deliver the outputs against our strategic priorities, which are aligned with national objectives.

We work closely with:

- Scottish Government
- Transport Scotland (our sponsoring body)
- The ferry operators for CHFS and NIFS
- The harbour operator for the HOA
- Island and mainland coastal communities where we operate

As a Statutory Harbour Authority for 16 of our ports, we offer open access to third parties, always ensuring that the vital lifeline services are not compromised.



## Corporate governance

**CMAL is a publicly owned company with Scottish Ministers as its sole shareholder.**

The CMAL Board is comprised of a non-executive chair, four non-executive directors and four executive directors – all appointed by Scottish Ministers.

The Board is the principal decision-making forum for the company. It has overall responsibility for leading and controlling the company and is accountable to the company's sole shareholder, the Scottish Ministers, for financial and operational performance. The Board approves company strategy and monitors performance.

The Board meets on a regular basis throughout the year. Board meetings are structured to allow open discussion and all Directors participate in discussing the Company's strategic aims, performance, financial and risk management. The Board is supplied with comprehensive information in advance of each Board meeting, including financial and operational reports covering the company's business activities. Senior managers of the company regularly attend and make presentations at Board meetings. A representative of the company's sole shareholder is entitled to attend each Board meeting.

CMAL also has two additional sub committees that meet on a regular basis and report to the Board; these being the Audit and Risk Committee and the Remuneration Committee.



**Morag McNeill, Chair**

Morag McNeill was appointed interim chair in January 2022, and took on the role permanently in October 2022. She is a qualified solicitor with over 35 years' experience as a corporate lawyer. She was a senior partner at McGrigors LLP (now part of Pinsent Masons LLP) and latterly was General Counsel at Forth Ports plc. Morag has extensive experience in the ports and harbours sector and a strong background in corporate governance. She was Vice-Chair at Aberdeen Harbour Board, Vice-Chair at Social Investment Scotland and Chair at Heriot-Watt University. Morag is also Chair of Scottish Event Campus Limited, which owns and operates the OVO Hydro and Chair of The Robertson Trust, Scotland's largest independent charity.



**Stuart Cresswell, Non-Executive Director**

Stuart Cresswell is a port industry professional who, until 2023, served in a Senior Leadership role at Associated British Ports (ABP). This included full operational responsibility for all of ABP's port operations in Scotland, including the Port of Troon. He is currently a Non-Executive Director of the Scottish Chamber of Commerce and Industry and a retained advisor for ABP on their new Freeport development at Nigg. His previous roles include immediate past Chair of the British Ports Association's Scottish Ports Committee, Non-Executive Director of the Scottish Shipping Benevolent Association, and ex-President of the Ayrshire Chamber of Commerce. Stuart is also co-founder of TimberLINK, which has shipped timber from ports and jetties across the West Coast of Scotland. Stuart holds an MBA from Glasgow Caledonian University.





#### **Murdo MacLennan MA, FRSA, Non-Executive Director**

Murdo was appointed as a Non-Executive Director of the CMAL Board on 1 October 2022. Previous Ministerial appointments include Scottish Land Fund, Bòrd Slainte Nan Eilean Siar, in both Executive and Non Executive roles, Bòrd na Gàidhlig, Crofters Commission, and was elected to the successor body, the Crofting Commission, as the Commissioner for the Western Isles. Mr MacLennan was a director of Lewis Crofters Ltd for 15 years and held a Sheriffdom appointment to the Highlands and Islands Valuation Appeal Panel. He brings a wealth of experience with a special interest in the areas of Board Accountability, Governance, Audit and Finance, and Public Procurement, having chaired key committees in these areas on previous Boards. Previously, he held the positions of Chair of the Western Isles Education/Business Partnership and Tigheann Innse Gall (housing association) and vice Chair of Bethesda Home and Hospice in Stornoway. Mr MacLennan is an islander based in Point outside Stornoway and an active crofter in both Lewis and Harris, contributing a strong, credible perspective of island interests to national fora.



#### **Mark Tarry, Non-Executive Director**

Mark Tarry has worked for 33 years at an executive level across the rail industry. Starting as a Finance Graduate, before qualifying as a Fellow of the Chartered Institute of Management Accountants, he has built a career in the rail industry and has extensive experience in leadership across sponsorship, operations, maintenance, customer service, supply chain and logistics, holding several executive appointments. Having retired from rail, Mark moved into non-executive roles and is now an experienced non-executive director with a broad portfolio across the public sector with a particular focus and strength in the role of Chair of Audit and Risk Committees across multiple sectors, including health, pensions, education, transport, and skills.



#### **Graeme Wood, Non-Executive Director**

Graeme is a qualified marine engineer with more than 40 years' experience working in marine and offshore energy related businesses, with a focus on vessel management and operation. He has served in a range of executive and non-executive director positions for over 20 years in various organisations, from family-owned enterprises to multi-national organisations. He is a fellow of the Institute of Directors, a Chartered Director, and an IOD Chartered Director Ambassador.



#### **Kevin Hobbs, Chief Executive Officer**

Kevin joined CMAL in April 2016, bringing 30 years' experience in the port, maritime logistics and shipping industries. As director at Port of Milford Haven, a leading UK port which handles over 30 million tonnes of cargo annually, he was responsible for commercial and operational management. Between 2008 and 2011, Kevin worked as a specialist consultant, providing expert advice to maritime and shipping clients, including Dublin Port Company, Peel Ports and Stena Line. In 1996, he founded Seatruck Ferries Group, an Irish Sea ferry service specialising in freight, which he guided from start-up to a profitable business. As CEO and managing director, he oversaw an investment portfolio of eight new-build freight ferries and five pre-owned ferries. He is Chair of the Scottish Maritime Cluster and also one of the Scottish Ports Representatives on the British Port Association.



#### **Heather Ferguson, Finance Director**

Heather Ferguson was appointed as Finance Director in November 2020. Heather has a strong financial portfolio, honed through 30+ years of experience in both the private and not-for-profit sectors. Before joining CMAL, Heather was the Finance Director of a prominent Glasgow charity, where she spent six years leading their financial strategy, building an IT team and managing complex building renovations. She has managed a charity, held Trustee positions, and is passionate about improving life for the people of Scotland. Heather is a fellow of the Association of Chartered Certified Accountants and holds the Certificate in Company Direction from the Institute of Directors.



#### **Jim Anderson, Director of Vessels**

Jim was appointed Director of Vessels in April 2016. Jim is a Chartered Engineer; a Fellow of the Royal Institution of Naval Architects, the Institute of Marine Engineering, Science & Technology and the Institution of Engineering and Technology. He has over 40 years' experience in the maritime industry; working in senior management roles for shipbuilders, ship owners and design consultants.



#### **Ramsay Muirhead, Director of Port Infrastructure & Planning**

Ramsay was appointed Director of Port Infrastructure & Planning in October 2019. He has over 25 years' experience of management, leadership and a range of engineering disciplines and joined CMAL in 2009 as a Civil Engineer. In 2012, he took up the role of Head of Civil Engineering, responsible for overseeing the delivery of all CMAL harbour maintenance and infrastructure projects. Ramsay is a Chartered Civil Engineer and a Member of the Institution of Civil Engineers; a Chartered Manager and Member of the Chartered Management Institute; a member of the Institute of Directors; and a Fellow of the Institution of Engineers in Scotland.





# Our mission, vision and goals

Our **mission** is to provide, safeguard and develop ferries and harbours.

Our **vision** is to be the pre-eminent provider of effective and leading-edge vessels and port infrastructure for the communities that we serve.

Our **goals** are to provide safe and efficient vessels, harbours and all associated port infrastructure for the operators, communities and all users in and around Scotland; through consultation and involvement of stakeholders and to adopt a robust long-term planning horizon.

# Guiding values

## Our core responsibilities are:

- To the Scottish Government – to manage our business in line with corporate governance best practice
- To our operators – to provide the necessary vessels and port infrastructure to enable our operators to deliver their obligations within the public services contracts
- To local communities – to understand the needs of local communities and to work with them to develop opportunities
- To our employees – to respect the rights of our employees and to provide them with safe working conditions
- To our business partners – to seek mutually beneficial relationships with current and future partners, contractors, suppliers, statutory bodies and tenants
- To society – to conduct business as responsible members of the community, to observe our legal and statutory obligations, to give proper regard to health and safety and the wellbeing of the environment

# Business principles

- We conduct our business to the highest standards and with integrity
- We behave in a socially responsible manner
- We have an absolute commitment to health, safety and the environment and we accept our legal obligations to protect employees and users of our assets
- We are an equal opportunities employer and were an early adopter of the Living Wage
- Our employees have the right skills and qualifications to ensure that we are able to deliver and maintain assets for lifeline ferry services in an effective and efficient manner
- We continue to support our staff in their personal and professional development by allowing the time and funding required to undertake courses and qualifications, including attaining membership of chartered professional bodies
- We have robust financial controls and procurement processes, ensuring that we pay our debts promptly, with an aim to achieve a 10-working day turnaround from receipt of invoice

# Environmental sustainability and climate change adaptation

We are committed to the delivery of our services in a sustainable and environmentally responsible manner in line with the Scottish Government's strategic vision: To restore nature and end Scotland's contribution to climate change by 2045.

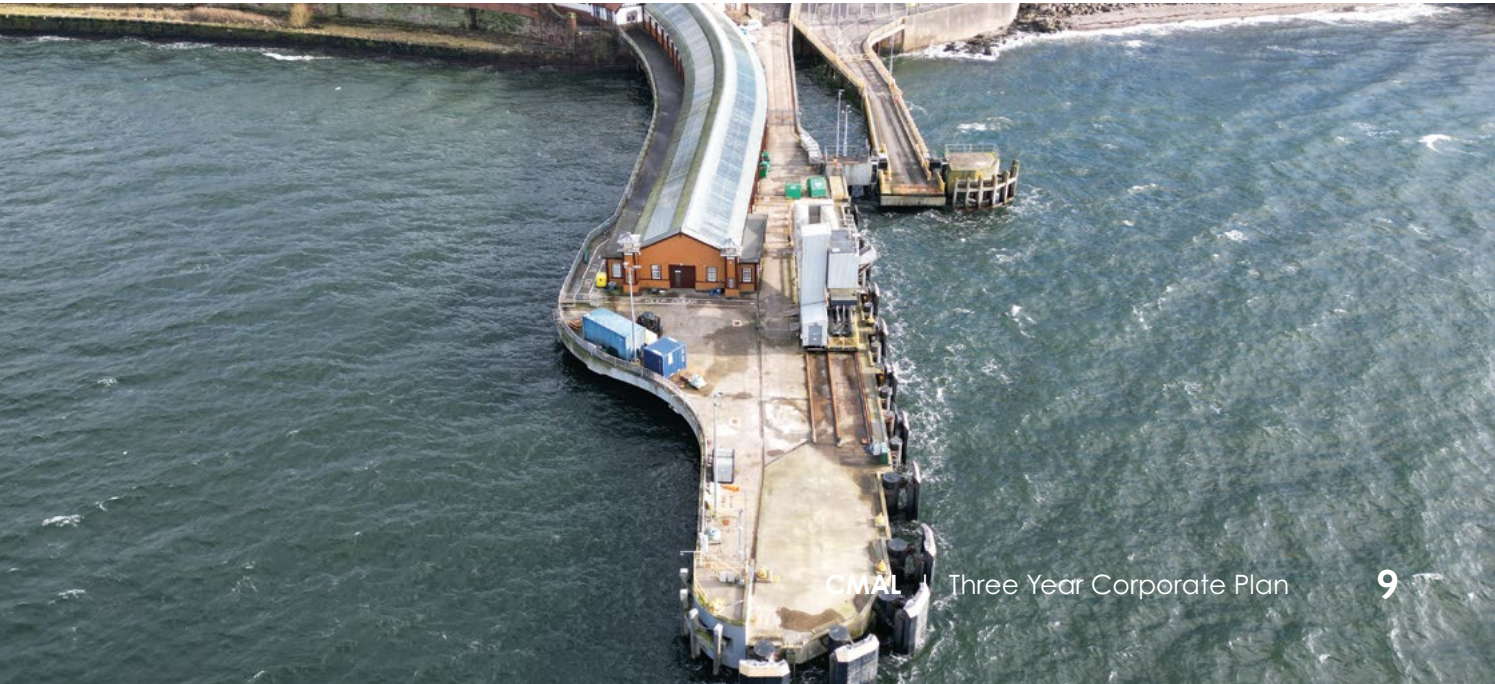
Our aim is to minimise the environmental impact of the next generation of vessels, harbours and ports and that they are resilient to the impacts of climate change. We will do this by taking action to protect and enhance the environment, sustainably procure and dispose of our assets, decarbonise and optimise energy efficiency, and design climate resilient assets.

We are taking steps to electrify our fleet of small vessels and we are designing our new major vessels with efficient hull forms and diesel-electric propulsion. We are investing in shore power facilities at our ports where ferries will 'plug-in' when at berth, significantly reducing emissions and improving local air quality.

We are designing ports that are resilient to climate change and taking action to reduce emissions from construction activities and the materials we use. We monitor and take steps to protect local biodiversity during works, taking the opportunity to enhance biodiversity where we can.

We are committed to improving the energy efficiency of our buildings with a programme of works planned which will include the installation of low carbon heating systems and energy efficient equipment.

We will continue to work with partners to support research into low carbon technologies and drive innovation, delivering outcomes to secure the wellbeing of our environment and communities for generations to come.



# National Performance Framework

The National Performance Framework was launched by the First Minister in June 2018. It was developed to “focus on creating a more successful country with opportunities for all of Scotland to flourish through increased wellbeing, sustainable and inclusive economic growth.”



The National Strategic Framework sets out the overarching strategic objectives of the Scottish Government.

Being mindful of our responsibilities, CMAL focuses on five key elements of the framework:

- We value, enjoy, protect and enhance our environment
- We have a globally competitive, entrepreneurial economy
- We have thriving and innovative businesses, with quality jobs and fair work for everyone
- We live in communities that are inclusive, empowered, resilient and safe
- We respect, protect and fulfil human rights and live free from discrimination

We will continue to align ourselves with the strategic objectives as they develop in future years.

# Our people

Our greatest asset is our people. We have many and varied skills across our organisation to deliver on our objectives and provide solutions to our strategic challenges. We work hard to empower our people and use their years of experience, coupled with development for continuous improvement through professional training, to both mentor our new recruits and deliver the services we provide. The organogram of our business can be found in the appendices.

Our senior management team is led by our CEO and is encompassed in the sections below.

## Port Infrastructure

The Port Infrastructure department is headed by our Director of Port Infrastructure & Planning, who is responsible for long-term planning and delivery of all our shoreside infrastructure, whether that is for maintenance and repair, or master planning new port facilities. The department consists of a Harbour Assets team, an Engineering team and a Harbour Operations team, who collectively maintain and improve CMAL's port infrastructure to support the lifeline ferry services and other users.

The Harbour Assets team, led by the Head of Harbour Assets, is comprised of specialist functions regarding maintenance, works & project planning, building & property management and asset management. The team is responsible for the majority of minor, planned and reactive maintenance across the network, as well as asset management and project/works planning.

The Harbour Operations team comprises the Harbour Master and Deputy, whose primary duty is the safety of navigation for any vessel utilising a CMAL port or its approaches. More generally, they are responsible on behalf of the Duty Holder for the safe and efficient operation of CMAL's 27 ports, harbours, and marine facilities, as well as compliance with the Ports and Marine Facilities Safety Code. The Harbour Master also manages a Harbour Operating Agreement and maintains oversight of the Harbour Operator in their day-to-day operational management of port and harbour activities.

The Engineering team, led by the Head of Engineering, is responsible for the delivery of shore-based works and projects relating to CMAL's port infrastructure. This team is comprised of a variety of specialisms, including civil, construction, mechanical & electrical engineering and quantity surveying. Delivery of projects on time and within budgetary constraints is important, but maintaining ports to support the lifeline services and communities is equally critical.

## Vessels

Our Director of Vessels leads our vessels team, which is responsible for vessel concept design and shipbuilding contracts, including site supervision and inspection, as well as special projects related to green energy and zero-carbon initiatives.

The team is comprised of experienced ship design engineers, naval architects, marine engineers, electrical engineers, project managers, shipbuilders, and those with seafaring experience.

## Health, Safety and Environmental Management, and Corporate Services

Our corporate team, led by our Health, Safety and Environmental (HSE) Manager, is responsible for ensuring the organisation is compliant with all relevant legislation and regulations. Health, safety and the environment are crucial components in all that we do, but this is complemented by specialisms regarding environmental and sustainability management, quality management (we are Det Norske Veritas ISO 9001:2015 certified), United Kingdom General Data Protection Regulation (UK GDPR), Freedom of Information (FOI) requests and internal administration functions.





### Finance

Our Finance and Procurement Teams are led by our Finance Director. The Finance Team is responsible for financial management, reporting and accounting, producing our annual report, payroll and compliance with the financial reporting requirements of the Scottish Government.

The Procurement Team is responsible for the procurement function and ensures compliance with current legislation and policies. These functions are crucial to the smooth running of our business at CMAL.

The team has several chartered accountants, finance professionals and procurement specialists, all with a blend of relevant experience.

### Business Support

Led by our Head of Business Support, supported by our IT Manager, Business Support Officer, Stakeholder Engagement Officer, PMO Officer, and HR Officer, this function of the business manages all internal IT systems, our HR department, our community engagement, stakeholder engagement, our Project Management Office, and our communications and PR.

### CMAL as an employer

CMAL are an inclusive organisation and, when recruiting for any role, always ensures that our positions are open to all, ensuring we have a good balance of experience whilst developing our new recruits. We are a Living Wage employer and have values which mirror the communities we serve.

## Corporate Social Responsibility

Corporate Social Responsibility (CSR) refers to the way in which businesses regulate themselves in order to ensure all their activities positively impact society as a whole. We consider CSR to be an important part of the manner in which we conduct our business. Through our company's practices and policies, we aim to create an ethical working environment whereby the company considers human rights, as well as the social, economic and environmental impact of what we do as a business.

We have a modest CSR fund, which is administered through our CSR Steering Group. This group is made up of volunteers from CMAL and some of our external suppliers. We aim to distribute the fund annually across six regions within the network that we serve. We also support communities in a non-financial way through our voluntary work.

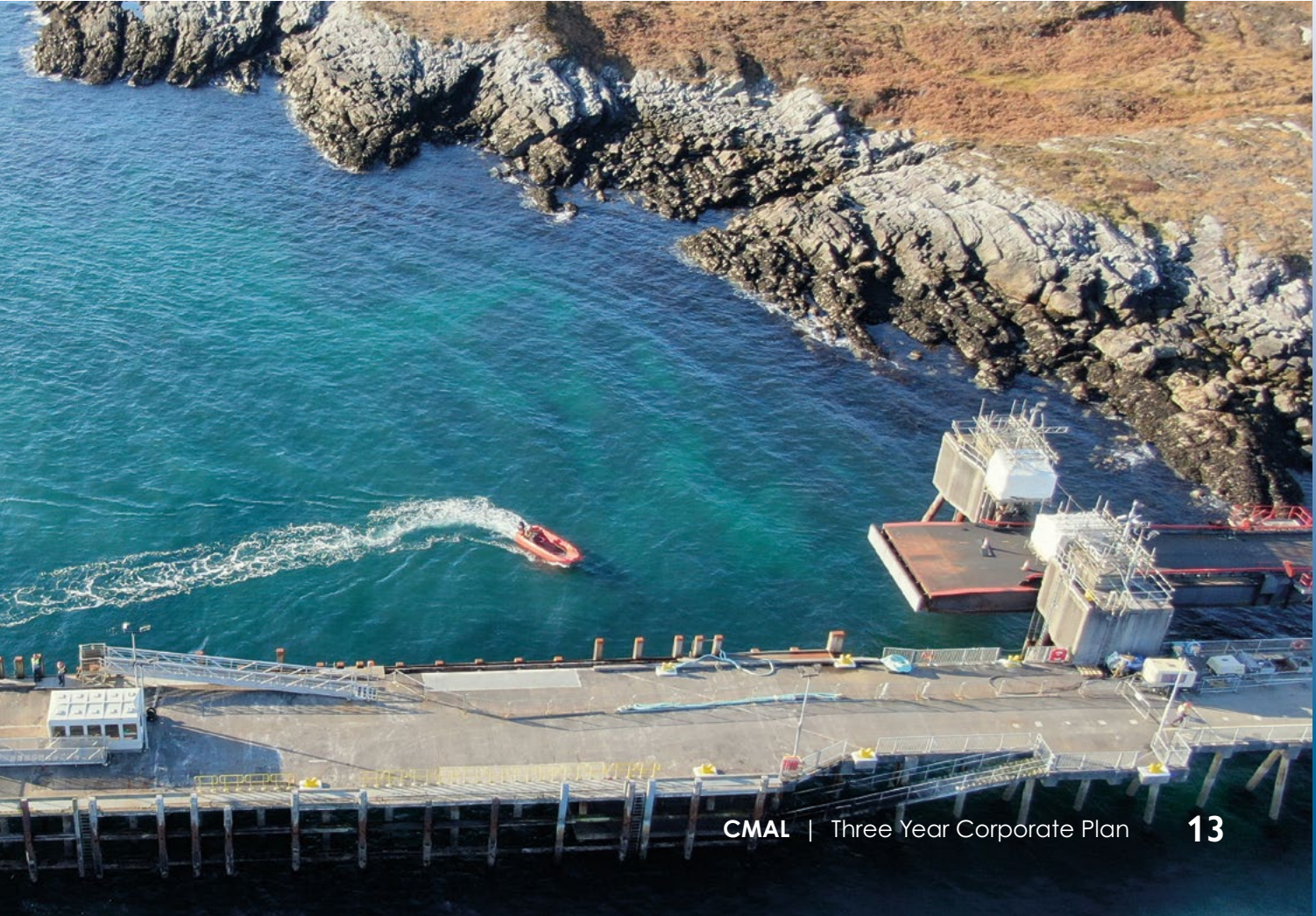
## Funding principles

Primarily, CMAL receives its capital funding from the Scottish Government in the form of voted loans for vessels and capital grants for port infrastructure.

Revenue generated from vessel charter fees are used to repay loans for vessels and harbour access charges are used to fund maintenance, small-scale capital projects, pension liabilities and general running costs, and to make a contribution towards larger capital spends.

A voted loan for vessels is paid back to Scottish Government over a period of 25 years, whereas capital grants for port infrastructure are generally not paid back, but have an agreed contribution level from CMAL's own sources of revenue, typically 20% of the project cost for smaller projects and 40% of larger projects over 50M Euros.

Planning for major infrastructure projects, whether ports or vessels, takes significant expertise, time and resource. Funding is identified and agreed in advance of any major project in order that it can both commence and ultimately be delivered. There are clearly fiscal challenges, including but not exclusively relating to the impact of high inflation rates and global events. However, CMAL has worked collaboratively with our sponsor, Transport Scotland, and the Scottish Government to identify the funding required over the next five to ten years. This is welcomed and affords both our long-term planning to be more robust, and the ability to deliver the infrastructure that is needed to support the lifeline ferry services and the communities that we serve.







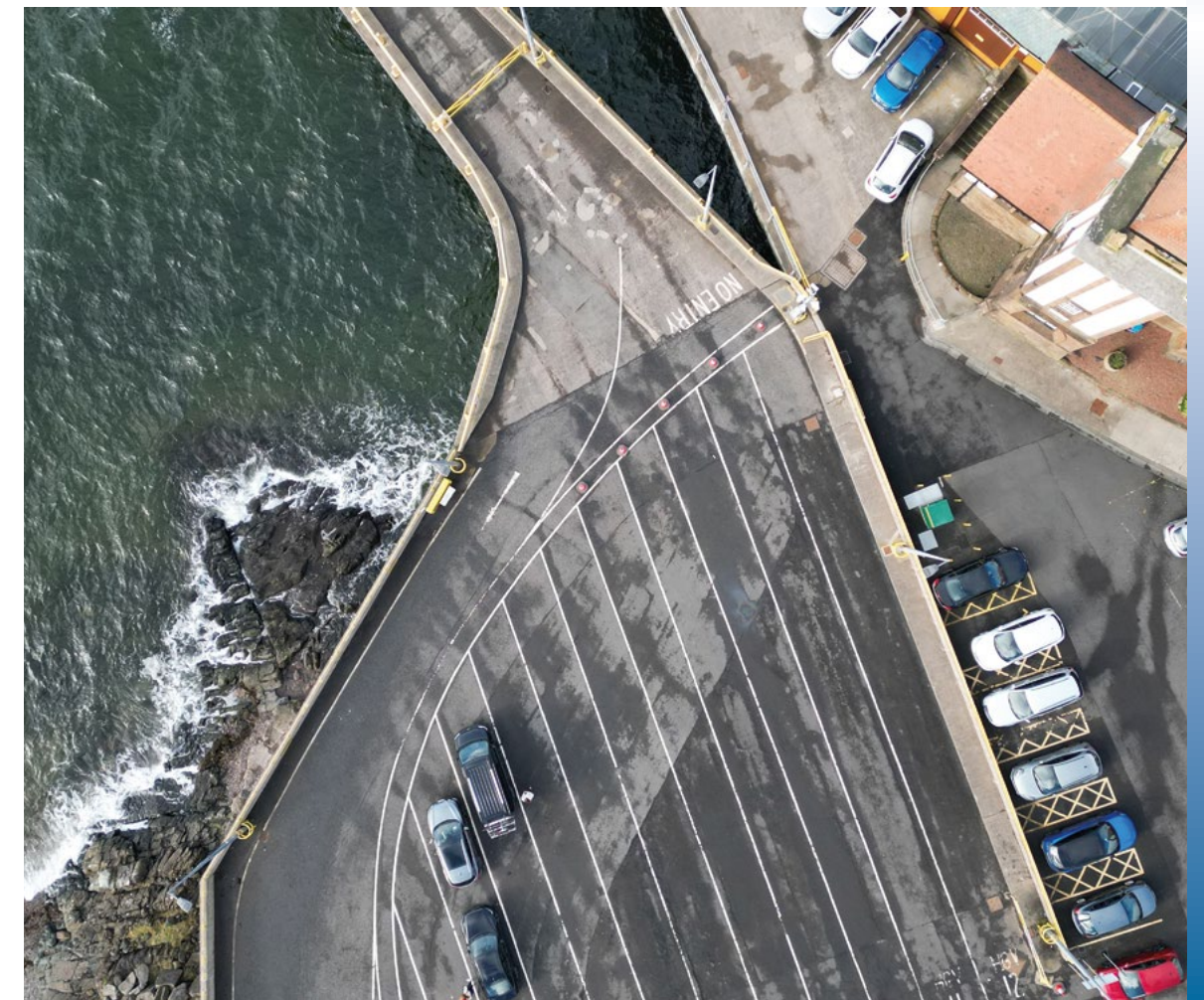
## Financing

Within the overall Scottish Government budget, there is an allocation for Transport Scotland, in which the Ferries directorate is a division.

The Ferries division allocated budget is split between subsidised services and capital; CMAL receives capital grants for port infrastructure projects and voted loans for new-build ferries projects.

The budgets are set annually by Scottish Government, usually in December each year. We submit regular financial forecasts to aid Transport Scotland in budgeting for future spend, and to ensure we are aligned on projections. Funds are only secured when we receive final approval on individual projects. Many of our projects span multiple years and therefore funds must be ring-fenced to support major projects. All major projects have an additional layer of governance from Transport Scotland and are subject to an internal decision making (IDM) Board, which is chaired by Transport Scotland's CEO.

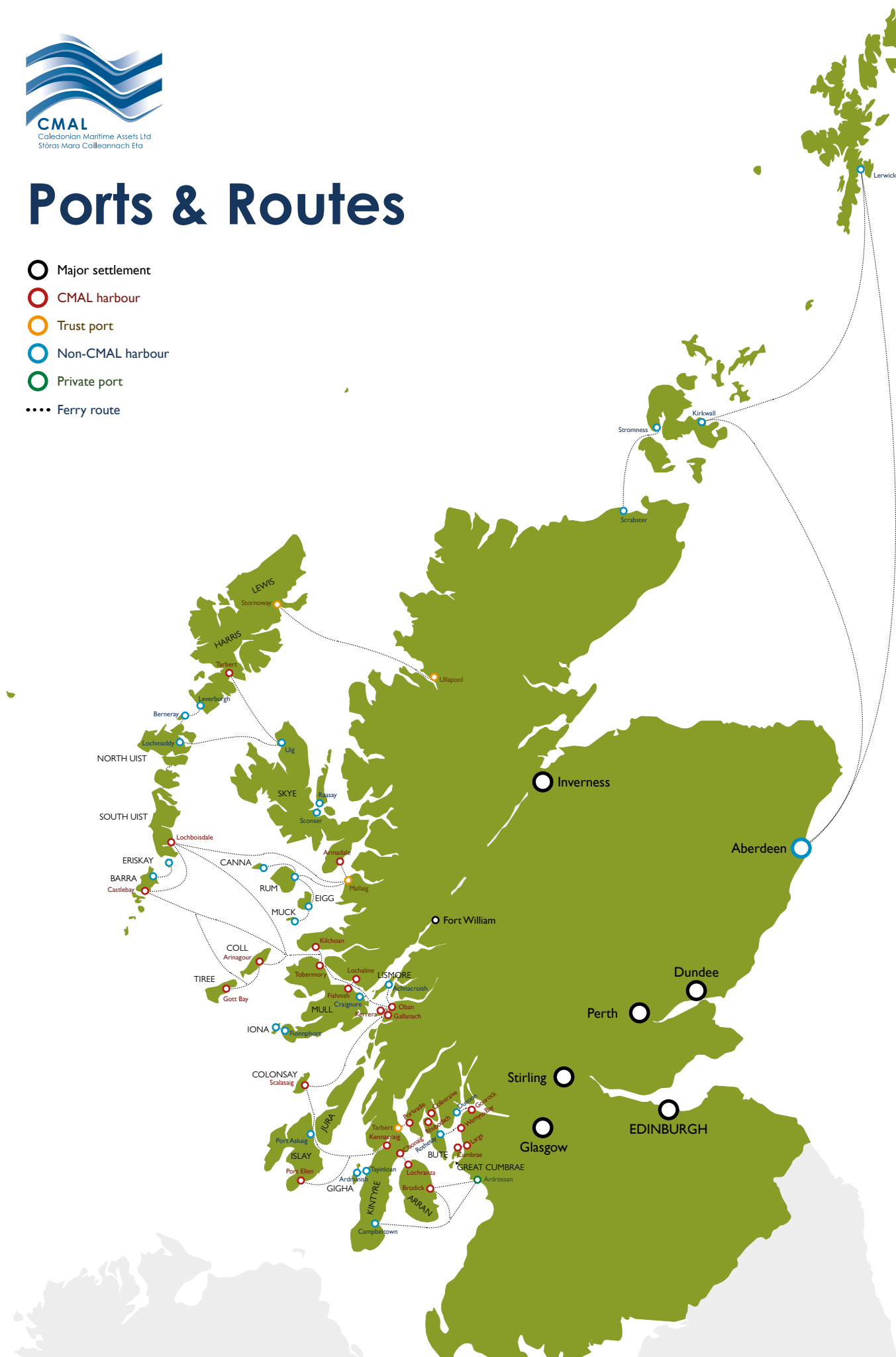
CMAL is responsible for the CalMac pension fund, which is comprised of members from both CalMac and CMAL. The latest valuation is in April 2025 and we will work closely with the trustees to enable adequate funding to meet the obligations. All valuations are subject to approval by The Pensions Regulator.





# Ports & Routes

- Major settlement
- CMAL harbour
- Trust port
- Non-CMAL harbour
- Private port
- .... Ferry route



## Strategic challenges

CMAL is charged with providing lifeline ferries for both the CHFS and NIFS networks and also port facilities that support the CHFS contract. Since the turn of the century there has been insufficient investment in the assets for both ferries and port infrastructure. Our challenge is to ensure that in future years we secure sufficient funding streams from Scottish Government to accelerate the replacement of the ferry fleet and also continue renewal of port infrastructure, with a particular focus on those that are nearing life expiry. Our core challenge is to put a compelling argument to our sponsoring body, Transport Scotland, to ensure that funds are available, thus enabling ferries to be replaced (to progressively bring the average age of the fleet to 15 years). In addition, we must ensure ports are resilient and are able to be funded at adequate levels to maintain services and are also prepared for climate changes such as rising sea levels and increasing intensity of storms.

There is much work to be done and the renewal and upgrade of port infrastructure and ferry replacements is crucial. A renewal and replacement programme is our highest priority.

Vessels have an anticipated life expectancy of 30 years, or possibly longer with mid-life extension investment. It is always a challenge to predict the future volumes of passengers, cars and freight; this is assisted by economic modelling.

We work closely with Transport Scotland to ensure that funding is available when it is needed. In the next five years to March 2029, we aim to spend £685M on replacing vessels and £250M on upgrading our our Ports and Harbours. The previously allocated funding streams allowed funding relating to ports on the west coast of £300m and an allocation of £285m regarding vessels. A further £115m was allocated in 2022 to expedite the procurement of 2 additional vessels that will serve on the Little Minch routes. We will continue to have close dialogue with Transport Scotland and finance colleagues to secure this future additional funding for both ports and vessels.

### Ports (See tabulation)

The CHFS port network comprises a total of 53 ports, of which CMAL owns 26. There are 24 ports on the network with vehicle linkspan facilities, categorised as major ports, of which CMAL owns 13. There are 29 ports with concrete slipways that are served by small vessels; 13 of these ports belong to CMAL, as well as one additional marine berthing structure facility. The remaining CHFS ports and all the NIFS ports are owned by local authorities, trust ports or private port companies.

Port infrastructure is a vital component for lifeline ferry services, but many facilities also support leisure users, fishing vessels, cruise vessels and other commercial use. In addition, a number of CMAL ports have buildings leased to third parties, therefore supporting local businesses. In terms of location, many hail from the steam ship era. Typically, port infrastructure is designed and built to last 50 years with appropriate maintenance. There are a number of CMAL ports that are nearing life expiry and will need to be replaced; a number are in transition and are being rebuilt or at master planning stage.

The Port Infrastructure team at CMAL has responsibility for harbour management, maintenance and improvements at its 26 locations. In addition to these ports, CMAL also has one additional marine berthing structure facility, and property and equipment in a number of third party ports across the network.



CMAL Location	Facility Category
Armadale, Isle of Skye	Linkspan
Brodict, Isle of Arran	Linkspan
Castlebay, Isle of Barra	Linkspan
Claonaig, Kintyre Peninsula	Slipway
Colintraive, Cowal Peninsula	Two slipways
Arinagour, Isle of Coll	Linkspan
Scalasaig, Isle of Colonsay	Linkspan
Cumbræ, Isle of Cumbræ	Slipway
Fishnish, Isle of Mull	Slipway
Gallanach, near Oban	Slipway
Gourock, Firth of Clyde	Linkspan
Kennacraig, Kintyre Peninsula	Linkspan
Kerrera, Isle of Kerrera	Slipway
Kilchoan, Ardnamurchan Peninsula	Slipway
Largs, Firth of Clyde	Slipway
Lochaline, Morven Peninsula	Slipway
Lochboisdale, South Uist	Linkspan
Lochranza, Isle of Arran	Slipway
Oban, Firth of Lorn	Two linkspans and one slipway
Port Ellen, Isle of Islay	Linkspan
Portavadie, Cowal Peninsula	Slipway
Rhubodach, Isle of Bute	Slipway
Tarbert (Harris), Isle of Harris	Linkspan
Gott Bay, Isle of Tiree	Linkspan
Tobermory, Isle of Mull	Slipway
Bullhole, Isle of Mull	Marine berthing structure facility
Wemyss Bay, Firth of Clyde	Linkspan

### Ferries

CMAL currently owns 32 vessels that support the CHFS network; these are split into 11 major vessels, 3 intermediate vessels and 18 small vessels.

CMAL currently owns 5 vessels that support the NIFS network; there are 3 passenger vessels and 2 freight-only vessels.

CMAL is undertaking a major renewal programme. The average age of the fleet for the CHFS network in 2025 is 24 years old; the recommended average for the fleet is 15 years old.

Analysis of the fleet indicates that within the current decade, there will be a requirement to replace 6 major vessels (in addition to those that are currently under construction) and 10 small vessels. In addition, 3 passenger-only vessels will need to replace the 2 vessels that sail from Gourock to Dunoon and the vessel that sails from Gourock to Kilcreggan.

CMAL is actively searching the global market for second-hand vessels that would be suitable to operate on the CHFS network. There are a number of constraints that mean that this search remains a challenge, but we remain fully committed and “will leave no stone unturned”.

Vessel Name	Vessel Category	Operator
MV Glen Sannox	Major	CalMac Ferries Ltd
Loch Seaforth	Major	CalMac Ferries Ltd
Finlaggan	Major	CalMac Ferries Ltd
Hebrides	Major	CalMac Ferries Ltd
Lochnevis	Major	CalMac Ferries Ltd
Clansman	Major	CalMac Ferries Ltd
Isle of Lewis	Major	CalMac Ferries Ltd
Caledonian Isles	Major	CalMac Ferries Ltd
Lord of the Isles	Major	CalMac Ferries Ltd
Isle of Mull	Major	CalMac Ferries Ltd
Isle of Arran	Major	CalMac Ferries Ltd
Helliar	Freighter	Serco Northlink
Hildasay	Freighter	Serco NorthLink
Hamnavoe	RoPax	Serco Northlink
Hjaltland	RoPax	Serco Northlink
Hrossey	RoPax	Serco Northlink
Argyle	Intermediate	CalMac Ferries Ltd
Bute	Intermediate	CalMac Ferries Ltd
Coruisk	Intermediate	CalMac Ferries Ltd
Carvoria	Small	CalMac Ferries Ltd
Catriona	Small	CalMac Ferries Ltd
Lochinvar	Small	CalMac Ferries Ltd
Hallaig	Small	CalMac Ferries Ltd
Loch Shira	Small	CalMac Ferries Ltd
Loch Portain	Small	CalMac Ferries Ltd
Loch Alainn	Small	CalMac Ferries Ltd
Loch Bhrusda	Small	CalMac Ferries Ltd
Loch Tarbert	Small	CalMac Ferries Ltd
Loch Buie	Small	CalMac Ferries Ltd
Loch Frisa	Small	CalMac Ferries Ltd
Loch Fyne	Small	CalMac Ferries Ltd
Loch Dunvegan	Small	CalMac Ferries Ltd
Loch Ranza	Small	CalMac Ferries Ltd
Loch Riddon	Small	CalMac Ferries Ltd
Loch Linnhe	Small	CalMac Ferries Ltd
Loch Striven	Small	CalMac Ferries Ltd
Isle of Cumbræ	Small	CalMac Ferries Ltd



Key Business Objectives

- ✓ We will play an active role in the Scottish Government’s commitment to achieve net-zero emissions by 2045
- ✓ We will continue to take a seat on European research groups and consortia who are developing low carbon technologies
- ✓ We will ensure (within technical and financial constraints) that we deliver our projects on time and on budget
- ✓ We will enhance our port infrastructure, where possible, to enable non-lifeline services to benefit, e.g. fish landing, cruise calls and other commercial ventures
- ✓ We will maintain a focus on carbon reduction and emissions by introducing new technology in both our ferry fleet and ports
- ✓ We will ensure (within technical and financial constraints) that constraints on vessel design and deployment around our port network is minimised through considered design of port upgrades and redevelopment
- ✓ We will continue to enhance our assets through attainment of adequate funding from Scottish Government; or other sources, if required
- ✓ Our ferries will be designed with efficient hull forms and efficient engines, thus reducing fuel consumption whilst taking into consideration operational requirements
- ✓ We will explore options for investment of ferry mid-life overhaul, extending useful life
- ✓ We will work closely with the CHFS and NIFS operators
- ✓ Vessels surplus to requirements will be either sold or recycled
- ✓ We will actively monitor the effects of climate change on rising sea levels and design or improve port infrastructure accordingly

Three-year corporate plan

The three-year corporate plan will be renewed each year, with this being the sixth iteration, and captures the years 2025–26 until 2027–28. The following section analyses the projects that CMAL will focus on in the coming three-year period. There is greater granularity regarding Year 1 because this work is the immediate priority. Furthermore we will outline future strategic projects.

The sections are as follows:

- 2024–25 achievements
- Port Infrastructure plan
- Vessels plan
- Corporate Services plan
- Organisational structure diagram

Appendices





# Achievements

## 2024 achievements

A key focus for the business throughout the year has been to maintain the ports within the CMAL portfolio to a high standard and minimise any disruptions that could affect the delivery of lifeline ferry services to the island communities we serve.

We continue to upgrade ports and replace vessels at pace in an effort to achieve our goals of providing fit-for-purpose modern port facilities and reducing the average age of our ferry fleet to 15 years old or less. The first of six new major ferries was delivered in November 2024, and we look forward to the delivery of the remaining five major ferries throughout 2025 and 2026.

We remain focused on port projects, like the Islay Vessel Enabling Works, which this year successfully readied the ports of Kennacraig, Port Askaig, and Colonsay for the imminent arrival of the two new Islay vessels that will service those routes.

We have also been working on major port development projects at Port Ellen and Gasay (at Lochboisdale), for which our preparation for tendering the works at both locations is well underway.

This year, marking a significant milestone in the Small Vessel Replacement Programme's first phase, we awarded the contract to build seven new loch-class electric ferries and have been working on the SVRP's numerous associated projects to, for example, secure grid power and install transformers and cable handling devices at the relevant locations, as well as other port infrastructure improvements.

Elsewhere in vessels-related news, we have been finalising the tender documentation for the Northern Isles Freight-Flex project—which aims to replace the two Northern Isles freight vessels currently operating on the Aberdeen to Kirkwall/Lerwick route—with a view to proceeding with the tender in the first quarter of the 2025/26 financial year.

We have continued to engage regularly and meaningfully with stakeholders throughout our network, including holding in-person public events within the relevant communities for our projects and in collaboration with our partners from the ferry service operators and Transport Scotland.

We continue to provide expert advice to Transport Scotland to assist with projects to enhance ports across the country, including those owned by third parties.

## Ports and harbours

- The Port Enabling works for Kennacraig, Colonsay and Port Askaig were substantially complete in Spring 2025 (minor snagging & remedial works are due to be complete by late Spring).
- The detailed design, licencing and consenting works for the Port Ellen Terminal Development project are well advanced and construction is due to commence winter 2025/26, subject to funding, licencing & consenting.
- Traffic Management improvements at various ports continue, including completion of works at Armadale, Port Ellen and Largs in 2024/25.
- The network-wide upgrade of all external lighting to energy efficient LED was completed in 2024.
- The Designated Person conducted scheduled PMSC audits of 5 ports.
- The Outline Business Case for the replacement of Lochboisdale Ferry Terminal was concluded in early 2025. Subject to funding approvals, work will commence on the detailed design, ground investigation, licencing and consenting of the new Gasay Terminal in spring 2025.
- Early design work has commenced in respect of the replacement and upgrade of the No.1 berth at Oban Ferry Terminal. Initial stakeholder consultation will commence in 2025.
- Work has started on reviewing landside upgrade options at Tiree Ferry Terminal, including the building, marshalling and parking areas.
- The refurbishment of the Kennacraig linkspan was completed in May 2024 and reinstalled in June 2024. This was done in conjunction with the Islay Vessel Enabling Works project.
- Design, consenting and licencing works for the Cumbrae slipway, marshalling and building replacement project are nearing completion, with construction due to commence later in 2025.
- CMAL has published our Harbour Asset Management Strategy setting out our long term plan.
- Planning, design and electricity network operator liaison commenced for shore power network upgrades and installation, including procurement of a design & supply framework for shore-side equipment.
- Work to strengthen the ferry overnight berthing structure at Bullhole, Mull was completed in May 2024.
- Drainage connection for the temporary terminal building at Troon was completed in January 2025.

## Vessels

- MV Glen Rosa was launched by Ferguson Marine in April 2024.
- MV Loch Indaal was launched by Cemre Marin Endustri A.S. in June 2024.
- The procurement process for the first phase of the Small Vessel Replacement Programme (SVRP) commenced in July 2024, and CMAL signed the contract to build these seven all-electric vessels with Remontowa Shipbuilding in March 2025.
- SVRP Phase 2 officially started in August 2024, and the first public engagement meetings were held in January 2025.
- The Northern Isles Freight-Flex project was announced in September 2024, and public engagement events took place in March 2025.
- MV Glen Sannox was handed over to CMAL in November 2024 and entered into service in January 2025.
- Public engagement events were held for the Mallaig–Lochboisdale New Vessel project in December 2024.

## Corporate services

- 10 year Capital Programme for investment in Ports and Vessels continued throughout 2023/24
- Records Management IT Project reaching its conclusion
- Migration of all CMAL SharePoint platforms to a full cloud based solution substantially completed and to be fully implemented in 2024/25

## Finance

- New Accounting system fully implemented and functional on time and on budget in April 2024.





## Port Infrastructure – three-year plan 2025/2026 to 2027/2028

Project/Works	Details	Total Project Value	2025/2026	2026/2027	2027/2028	2028 & beyond	Risk	Benefit
<b>Maintenance &amp; repair projects/works</b>								
General maintenance, repair and minor building refurbishments	Planned and reactive maintenance across CMAL's port network.	Annual	4m–£6m**	4m–£6m**	4m–£6m**	Estimate of £4m–£6m annually**	Infrastructure unsuitable for safe port operation, access to remote communities compromised and commercial activity restricted.	Infrastructure continues to be available to support lifeline ferry services, commercial and leisure use.
Mechanical and electrical maintenance and repair	Planned and reactive maintenance of linkspans and passenger access systems.	Annual	£1.4m**	£1.5m**	£1.5m**	Estimate ~£1.5m annually**		
Tobermory Mishnish pier refurbishment/strengthening	Works to improve berthing facilities and prolong serviceable life.	£350k**	£100k**	£250k**	—	—		
Kennacraig traffic management	Upgrade of traffic management issues.	£100k**	£75k**	—	—	—		
Principal port inspections	Routine principal port inspections, inclusive of dive surveys. Six ports per year.	Ongoing	£180k**	£180k**	£180k**	Estimate of £180k annually		
Brodict fish quay	Repairs to the fish quay used by third parties.	£150k**	£150k**	—	—	—	Harbour safety compromised by lack of navigational information and data.	Provision of environmental data and navigational information to improve harbour safety and assist harbour users. CMAL meet their duty to provide conservancy information in statutory harbour areas.
Harbour weather and water level monitoring network	Maintain and extend network of monitoring equipment.	Ongoing	£150k**	£130k**	£50k**	Varies**		
Aids to Navigation. Wave Instruments & Buoys	Maintenance and replacement of Aids to Navigation, wave instruments and buoys.	Ongoing	£645k**	£400k**	£250k**	Varies**		

All predicted costs are subject to the significant volatility regarding material and labour costs experienced across our portfolio.

Continued

\* These costs have committed funds and are currently being executed.

\*\* These costs are being proposed, and projects are in development. They may have yet to be agreed and funded by the Scottish Government and CMAL.



Project/Works	Details	Total Project Value	2025/2026	2026/2027	2027/2028	2028 & beyond	Risk	Benefit
Bathymetric and land surveys	Regular bathymetric surveys across port network, as well as land surveys as required.	Ongoing	£100k**	£100k**	£100k**	Varies		
Provide safe and efficient port environment	Provide and manage port safety management systems with harbour operator. Manage systems and improve port safety.	Ongoing	Ongoing as part of being port/facility owner and Statutory Harbour Authority in some locations.					Safe and sustainable facilities with the correct legal framework in which to operate in place.
Improve and develop operator and stakeholder relations	Visit communities we serve regularly. Meet operators routinely. Jointly develop plans with operator and stakeholders. Work in partnership with communities where appropriate. Provide advice and support with respect to port management and harbour infrastructure.	Annual	Ongoing as part of all works and projects.				Suboptimal stakeholder and operator relations with potential conflict and failure to provide appropriate infrastructure.	Appropriate stakeholder relations benefiting overall project delivery.

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Continued

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Project/Works	Details	Total Project Value	2025/2026	2026/2027	2027/2028	2028 & beyond	Risk	Benefit
Selected capital projects/works								
Network lighting upgrades	Completion of upgrades to external lighting at various ports.	£220k**	£220k**	—	—	—	Infrastructure unsafe for port users and operators, high energy costs and high environmental emissions	Safe, sustainable and fit for purpose lighting in place for operational ports
Port Ellen terminal development	New pier, dredging, shore power supply, commercial quay, marshalling and new terminal building.	£75m**	£10m** (Design, tender & construction)	£31m** (Construction)	£24m** (Construction)	£5m** (Construction)	Infrastructure unsuitable for port operation and access to rural communities compromised.	Fit for purpose and appropriate infrastructure in place to meet current and future operational and community needs.
Gasay terminal development	New ferry terminal adjacent to Lochboisdale.	£38.5m**	£3.5m* (Design, GI & ECI)	£4m** (Construction)	£15m** (Construction)	£15m** (Construction)		
Small vessel replacement programme (SVRP) CMAL Port Works	Works to accommodate new small ferries at various ports across the network, including dredging, berth works and shore power supply.	£31m**	£3m** (Design, GI, tendering & construction)	£6m** (Tendering & construction)	£11m** (Construction)	£11m** (Construction)		
Gourock harbour redevelopment	Redevelopment of ferry terminal.	TBC - Dependent on final project scope	TBC - Dependent on final project scope	TBC - Dependent on final project scope	TBC - Dependent on final project scope	TBC - Dependent on final project scope		

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Continued

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Project/Works	Details	Total Project Value	2025/2026	2026/2027	2027/2028	2028 & beyond	Risk	Benefit
Cumrae slipway	Reconstruction of slipway, construction of marshalling and terminal building.	£8.5m**	£3.5m** (Design, tender & construction)	£4m** (Construction)	—	—		
New Islay vessel port enabling works—Port Ellen, Kennacraig, Colonsay and Port Askaig	Works to accommodate new Islay ferries, including dredging, fendering, shore power supply and mooring aid.	£43.5m*	£3.5m* (Construction)	—	—	—		
Oban 1 berth modifications	Works to accommodate wider range of standardised ferries.	£19.5m**	£900k* (Outline Business Case and design)	£13.5m** (Tendering & construction)	£5m** (Construction)	—		
Tiree terminal building and marshalling area	Full redesign and improvement of building, marshalling and parking.	£1.5m**	£350k* (Design & tender)	£750k** (Construction)	£350k** (Construction)	—		
Wemyss Bay passenger access system replacement	Replace passenger access system.	£2m**	£150k* (Design)	£900k** (Tendering & construction)	£750k** (Construction)	—		
Uig demolition of CMAL-owned building	Upon completion of new building, redundant asset will be demolished.	£400k*	£400k*	—	—	—	Building is no longer fit for purpose	Additional land made available at the harbour

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## Notes:

1. All costs are estimates at March 2025, each of which has varying degrees of contingency or optimism bias, depending on the current stage of the project.
2. Major maintenance and repair works, not covered by “General Maintenance”.
3. Capital harbour improvement works.
4. The table is subject to change based on network priorities.
5. Smaller value works/projects not shown for simplicity.

## 7 Years 2028 to 2035

Selected key projects (not mentioned above) anticipated to commence feasibility and design:

- Armadale – port redevelopment – pier and increased marshalling
- Castlebay – port redevelopment - removal of redundant fendering, terminal building and increased marshalling
- Claonaig – slipway widening and shoreside improvement works
- Coll – new terminal building and increased marshalling
- Colonsay – main berth fender replacement and harbour repairs
- Fishnish – slipway reconstruction and road/marshalling improvements
- Kennacraig – phase 3 development inclusive of new terminal building
- Kerrera – new building and reconstruction of slipway
- Kilchoan – pier repairs
- Lochaline – slipway reconstruction
- Lochboisdale – demolish/decommission old facility
- Lochranza – slipway reconstruction, repairs to inner pier and increased marshalling and parking
- Oban – refurbishment of southern end of ferry terminal
- Tiree – Ferry berth, fenders, pier approach and seawall repairs
- Wemyss Bay – increase marshalling and parking



## Vessels – three-year plan 2024/2025 to 2026/2027

Project	Details	Project/Works Value	2024/2025	2025/2026	2026/2027
MV Glen Sannox	"New Vessel (Fair Market Value, independent broker)"	£55m	£55m	0	0
MV Glen Rosa	"New Vessel (Fair Market Value, independent broker)"	£55m	0	—	£55m
Islay Ferries ×2	New Vessels ×2	£90m*	0	£18m**	0
Little Minch Ferries ×2	New Vessels ×2	£99m*	£14m*	£33m**	£20m**
Small Vessel Replacement Programme Phase 1	New Vessels ×7	£147.5m*	£30m*	£18m**	£18m**
Small Vessel Replacement Programme Phase 2	New Vessels ×3	£81m**	—	—	£16m**
Future Major Vessel (Mallaig–Lochboisdale)	New Vessel	£50m**	—	—	£10m**
Future Major Vessel (Mull ×2)	New Vessels ×2	£75m**	—	—	£15m**
NorthLink Freight Flex Vessels ×2	New Vessels ×2	£180m**	—	£36m**	£40m**
Gourock–Dunoon	New Vessels	TBC - Dependent on final project scope	—	—	—
Upgrades CHFS	—	—	—	—	—
Upgrades NIFS	—	—	—	—	—

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## Corporate Services – three-year plan 2024/25 to 2026/27

Project	Value	2024/25	2025/26	2026/27	Risk	Benefit
Support CHFS3 tender and ensure the following agreements are executed: 1. CHFS3 Fleet Bareboat and Charter Party 2. Harbour Operating Agreement 3. Property and Equipment Licence 4. Trademark Licence Agreement 5. Heraldic Device Agreement 6. Tripartite Agreement 7. Gourrock Harbour Licence Agreement	£300,000	£100,000			The procurement process is not completed in time, meaning the agreements are not in place, and there is a risk to the ferry service delivery and the operation of our harbours.	The uninterrupted continuation of the ferry services and the operation of all of CMAL's harbours.
SharePoint migration and redevelopment to accommodate other platforms including the asset and records management systems	£330,000	£80,000	£30,000		The existing systems become obsolete and unusable, meaning CMAL's ability to function as a business is compromised.	An upgraded system allows the business to efficiently perform its functions and to integrate new systems in order to continuously improve.
Keep Scotland Beautiful audit	£25,000	£25,000			CMAL-owned ports fail to improve on their current grading	CMAL's ongoing commitment to the environment
Data Protection Officer Services	£30,000	£10,000	£10,000		Non-compliant, resulting in fines	Ensuring all data protection issues are met in a timely and professional manner

All predicted costs are subject to the significant volatility regarding material and labour costs experienced across our portfolio.

Continued

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Project	Value	2024/25	2025/26	2026/27	Risk	Benefit
Significant corporate support contracts are procured as required including the following: <ul style="list-style-type: none"> <li>• External and Internal Audit</li> <li>• Legal &amp; Tax</li> <li>• IT</li> <li>• Insurance</li> </ul>	£30,000	£10,000	£10,000	£10,000	Failure to procure good quality support organisations will limit the ability of the company to deliver its three-year operating plan	Good quality support organisations are procured and deliver higher than expected value for money services

All predicted costs are subject to the significant volatility regarding material and labour costs experienced across our portfolio.

\*These costs have committed funds and are currently being executed.

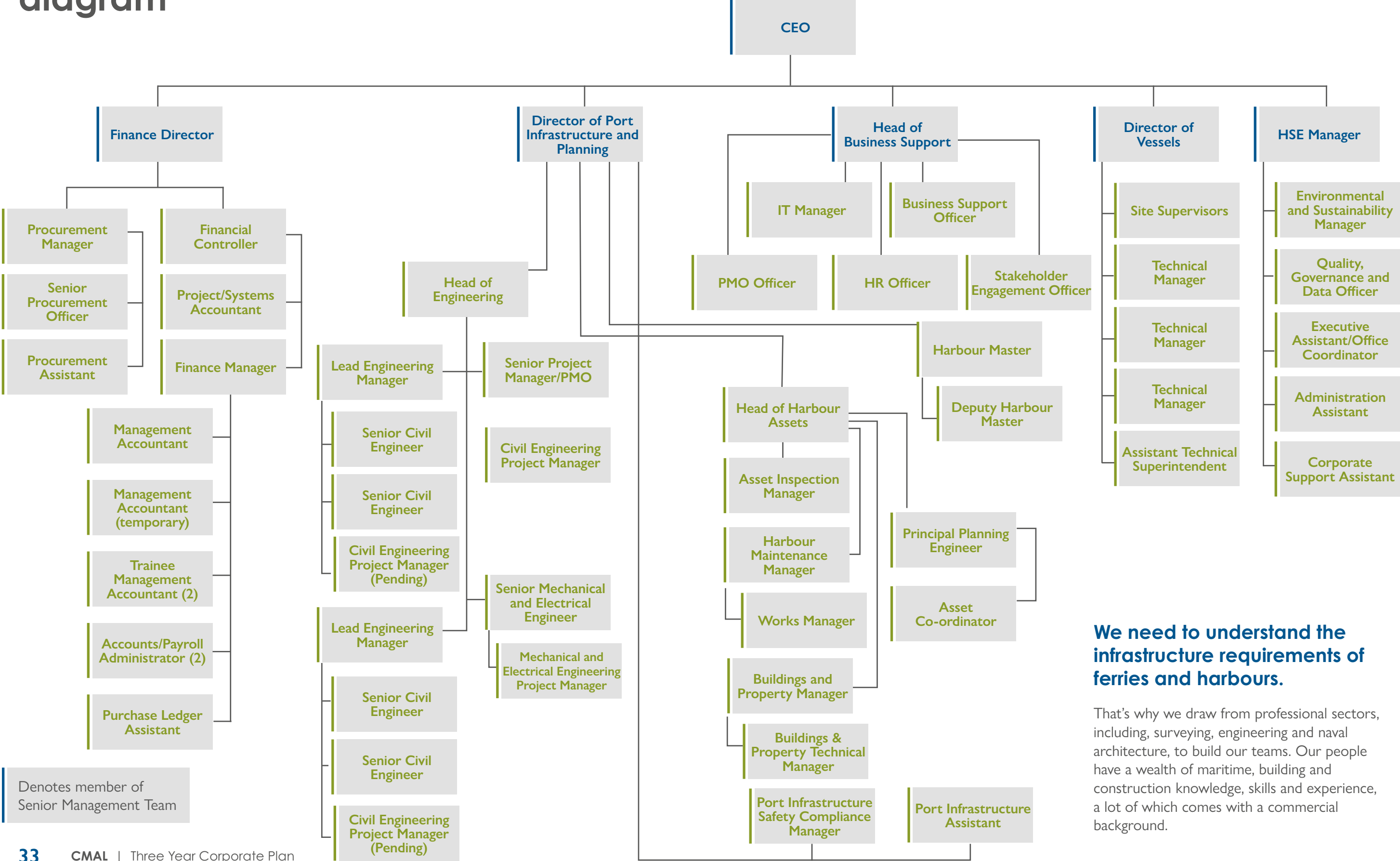
\*\* These costs are being proposed, and projects are in development. They may have yet to be agreed and funded by the Scottish Government and CMAL.







# Organisational structure diagram



**We need to understand the infrastructure requirements of ferries and harbours.**

That's why we draw from professional sectors, including, surveying, engineering and naval architecture, to build our teams. Our people have a wealth of maritime, building and construction knowledge, skills and experience, a lot of which comes with a commercial background.





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