

DAVID MACBRAYNE LIMITED
PUBLIC SERVICES REFORM (SCOTLAND) ACT 2010:
DUTIES TO PUBLISH INFORMATION

Introduction

Sections 31 and 32 of the Public Services Reform (Scotland) Act 2010 requires listed public bodies, which includes David MacBrayne Limited, to publish information on expenditure and certain other matters at the end of each financial year.

This information provided covers the following areas;

1. Public Relations & Marketing
2. Overseas Travel
3. Hospitality & Entertainment
4. External Consultancy
5. Payments to Third Parties with value of excess of £25,000
6. Members or employees who received remuneration in excess of £150,000
7. Supporting sustainable economic growth
8. Efficiency, effectiveness and economy

The following information is provided to meet this requirement and all figures provided covers the period from 1 April 2020 to 31 March 2021

1. Public Relations and Marketing

Total expenditure in the period was **£2,287,647** which includes the cost of marketing, sponsorship, online marketing, production of publications and public relations.

2. Overseas Travel

Expenditure of **£1,156** which relates primarily to work associated with building supervision and crewing of New Vessels. Other overseas travel relates to Business Development.

3. Hospitality and Entertainment

Expenditure of **£ nil** on Hospitality & entertainment

4. External Consultancy - Business Support

Expenditure of **£159,177** is total spend across the David MacBrayne Limited group for the period including professional services on Technical & IT Consultancy matters and Specialist advice on legislative impacts on our business.

5. Payments to Third Parties with a value in excess of £25,000

See enclosed supplementary provided statement with summary of payments by category of service and supplier.

6. Members or employees who received remuneration in excess of £150,000

Two Directors of David MacBrayne Limited received remuneration in excess of £150,000 in the 2020/21 financial year.

The Company publishes a Report on Directors' remuneration (including benefits in kind) within the Annual Report and financial statements which can be found on the Company's website at www.david-macbrayne.co.uk.

7. Sustainable economic growth

Our procurement policies and procedures are reviewed and updated to promote the Scottish Government Procurement Journey.

As an organisation we have signed-up to the Scottish Government Suppliers' Charter which is a joint statement between public sector buying organisations and businesses to agree to work together to improve public sector procurement processes and dialogue.

We recognise the need, where practical, to simplify and standardise processes and to ensure consistency in order to provide a fair and open approach to tendering.

With these aims in mind our organisation will:

- Increase efficiency and effectiveness in our tender process, by issuing tenders through government approved portals.

- Ensure that the approach to individual regulated procurements is supported by robust procurement strategies.
- Simplify the tender process to minimise associated costs.
- Unless there are compelling business reasons to the contrary, ensure that adequate and appropriate publicity is given to contract opportunities that are above £50k.
- Work with our internal stakeholders to deliver value for money throughout the life of the contract.
- Embed a contract and supplier management module to better manage contracts once they are awarded.

In addition, where appropriate we issue the Single Procurement Document to suppliers tendering for our business.

We are committed to embed sustainability in procurements in a relevant and proportionate manner and ensure that the company understands sustainable procurement principles and practices. Working closely with our suppliers to support sustainable procurement is important to David MacBrayne Limited. We are pleased that we have a diverse range of suppliers that deliver a wide range of goods and services. This includes small, medium enterprises (SME's) and Supported Businesses.

We recognise the positive impact Supported Businesses and Third Sector organisations have on economic sustainability to help build a wealthier and fairer country, and this is an important consideration when procuring services.

All regulated procurements now contain Fair Work, Community Benefits and Climate Change Statements. We have also introduced this criterion into our procurement evaluation where appropriate

Direct expenditure with supported businesses for the period April 2020 to March 2021 was £8,563.63, as broken down below:

Royal British Legion Industries (Trading as Scotland's Bravest Manufacturing Company) - £8,563.63

The aim of the corporate policy is to support economic growth by delivering social and environmental benefits, supporting innovation, and promoting public procurement processes and systems which are transparent, streamlined, standardised, proportionate, fair, and business-friendly.

75% of our suppliers are small, medium enterprises with a total spend of £21.3m. This represents 72% with Scottish suppliers and a total spend of £15.3m.

We will continue to strengthen collaborative relationships that will enable us to gain an advantage through aggregation and technical innovation. Wherever appropriate National Frameworks are utilised. Supplier inclusion supports sustainable procurement and is of significant importance to CalMac.

8. Efficiency, Effectiveness and Economy

The ferry services provided by David MacBrayne Group play a key role in sustaining and enabling economic development in Scotland's Island communities.

We employ 1700 staff, many of whom are from the island communities we serve.

The COVID-19 pandemic during the last financial year reduced the number of passengers that travelled on our ferries however we still carried more than 2 million passengers to 54 ports and harbours across the West Coast of Scotland. We also carried 750,000 cars and almost 70,000 commercial vehicles.

The area we serve is world renowned for its natural beauty and wildlife. We recognise that we have a role to play in protecting this environment. To help reduce the company's carbon footprint we are taking measures to cut fuel and emissions. Examples of how we are doing this are:

Environmental Strategy – During the year we have launched a new Environmental Strategy, setting ambitious targets for reducing fuel consumption and energy use, minimising waste, and increasing recycling. Progress against targets is measured on a monthly and quarterly basis and form part of our Corporate Business Plan for 21-23.

Recycling - During the year, the total amount of waste generated decreased by 36% from the previous year due to the reduced number of passengers travelling. Many of our waste collection services such as food waste collection were reduced or paused over the year however our business-wide recycling rate increased from 46% to 59%. New waste management contracts put in place during the previous year diverted 3% of waste previously sent to landfills to an energy from waste facility.

Reducing fuel consumption - Over the reporting period our vessel fuel consumption was reduced by 20.5%, which saved 20,600 tonnes of CO_{2e} being produced. Our relative carbon footprint, a measure of fuel used per passenger km, increased 24% to 121gCO_{2e} per passenger km; this increase is a direct result of the reduced passenger carryings during the year.

To support our environmental awareness work we continued to support a Hebrides Wildlife Officer from the marine mammal charity ORCA and developed a suite of awareness material hosted on our website and on social media. Marine surveys were unable to be undertaken during the year due to travel restrictions however a series of mini-films were created to highlight the “Marine Environmental Heroes” undertaking work across our network and within our communities.

The CalMac Community Fund was launched in 2019/20. 2019/20 spend was £131,466 and 2020/21 spend was £109,449.94. The fund supports non-profit organisations deliver projects that benefit the lives of people living in our communities. In 2020/21 we supported groups tackling social isolation, loneliness, poverty and or mental health.