



The Scottish Parliament
Pàrlamaid na h-Alba

Public Audit Committee

JP Marks
Permanent Secretary
Scottish Government

27 September 2024

Dear Permanent Secretary

New Vessels for the Clyde and Hebrides: Arrangements to deliver vessels 801 and 802

The Committee recently considered correspondence from the Deputy First Minister and Cabinet Secretary for Economy and Gaelic in response to outstanding questions it had on the Scottish Government's future approach to the transparency of Shareholder Authorisation.

As you will be aware, the Committee concluded in its report, [New vessels for the Clyde and Hebrides: Arrangements to deliver vessels 801 and 802](#), that it considered there to be equivalence between occasions of Written Authority and where the board of a company wholly owned by Scottish Ministers consider it necessary to seek and receive Shareholder Authorisation. As such, the Committee is firmly of the view that all occasions of Shareholder Authorisation should be a matter of public record.

The Committee has sought to establish the Scottish Government's position on this matter on a number of occasions, most recently [with the Deputy First Minister in June 2024](#). The Deputy First Minister's response to the Committee's letter states—

“the matter of whether to publish details of all shareholder authorisations and approvals remains under consideration.”

The letter also refers to an initiative that is underway by the DG Economy to develop a review of proactive publications across the Scottish Government's portfolio of commercial assets. The Deputy First Minister states that this “transparency review will touch on shareholder authorisations” and that you will share the findings once it has concluded.

The Committee seeks an update on the progress of this transparency review, including when you expect the findings to be published. The Committee also asks whether the review will provide much needed clarity as to the Scottish Government's position on whether it will publish details of all Shareholder Authorisations in the future.

Contact: Public Audit Committee, The Scottish Parliament, Edinburgh, EH99 1SP.
Email: publicaudit.committee@parliament.scot. We welcome calls through Relay UK and in BSL through Contact Scotland BSL.

As you may be aware, I raised this matter with the First Minister at the Conveners Group meeting on 18 September 2024. During the meeting, I asked whether consideration would be given to amending the Scottish Public Finance Manual, so that the recording of Shareholder Authorisations would be required in the same way that Written Authority by Ministers is required to be recorded.

I also highlighted the welcome development in the recently updated Framework Agreement between the Scottish Government and Ferguson Marine (Port Glasgow) Holdings Ltd (FMPG), which provides clarification of how Shareholder Authorisation should be sought. I therefore asked the First Minister whether this would become standard practice for future framework agreements between the Scottish Government and bodies which are wholly owned by Scottish Ministers.

The First Minister made a commitment to consider the questions put to him during the Conveners Group meeting. The Committee asks what discussion you have had with the First Minister on these matters, recognising the Public Audit Committee's firm view that there is scope to improve the transparency of Shareholder Authorisation.

You may wish to note that the Committee has also written to the Cabinet Secretary for Transport to clarify whether the process for Shareholder Authorisation, similar to that included in the FMPG Framework Agreement will be included in the forthcoming revised Framework Agreement between the Scottish Government and Caledonian Maritime Assets Limited.

The Committee requests a response by **25 October 2024**.

Yours sincerely,

Richard Leonard MSP
Convener