Àrd-stiùiriche na h-Eaconomaidh Director-General Economy **Gregor Irwin**



E: DGEconomy@gov.scot

Sent by email:

Richard Leonard Convener publicaudit.committee@Parliament.Scot

19 December 2024

Dear Richard

FERGUSON MARINE: GLEN ROSA COST PROJECTIONS - AGREEMENT THAT WRITTEN AUTHORITY CONTINUES

I enclose a copy of a letter in relation to the completion of Glen Rosa (vessel 802) that I received from the Deputy First Minister and Cabinet Secretary for Economy & Gaelic on 18 December 2024.

The letter is in response to an Accountable Officer Assessment that I recently provided to Ministers about that matter. The letter confirms that written authority from the Scottish Ministers is in place to continue with the build of Glen Rosa (vessel 802).

I am sending a copy of the written approval to the Auditor General for Scotland.

Regards

Gregor Irwin Director-General Economy







Deputy First Minister and Cabinet Secretary for Economy and Gaelic Leas Phrìomh Mhinistear agus Rùnaire a' Chaibineit airson Eaconamaidh agus Gàidhlig



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Gregor Irwin
DG Economy
Scottish Government

18 December 2024

Dear Gregor,

Thank you for the submission of 17 December 2024 on your assessment against the Accountable Officer standards following the rise in costs to complete Glen Sannox and Glen Rosa at Ferguson Marine Port Glasgow (FMPG).

In line with your Accountable Officer (AO) duties that are set out in the Public Finance and Accountability (Scotland) Act 2000, in particular section 15, you have a duty to meet the principles of regularity, propriety and value for money. I am satisfied that you have scrutinised and interrogated the projected costs provided by FMPG and assessed these against the other options and note that your assessment has found that the value for money standard is not met in respect of Glen Rosa.

In the letter from Neil Gray on 14 May 2023 in which written authority was given to progress with Glen Rosa based on your previous AO assessment, Mr Gray set out the policy objectives for taking FMPG into public ownership. I am guided by those policy objectives in making my decision to continue with the build for Glen Rosa at FMPG.

I therefore confirm that the previous written authority continues and along with this letter provides you with authority to continue the build of Glen Rosa at FMPG.

Finally, I remain committed to supporting a sustainable and successful future for FMPG. I have therefore dedicated up to £14.2m as an investment over two years in a range of initiatives to modernise FMPG and its equipment, and to improve productivity at FMPG, subject to full legal and commercial diligence.

KATE FORBES

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