



The Scottish Parliament
Pàrlamaid na h-Alba

Public Audit Committee

Gregor Irwin
Director-General, Economy
Scottish Government

By email

17 March 2025

Dear Mr Irwin

Strategic Commercial Assets: Transparency Review

Thank you for your letter dated 7 February 2025, enclosing the information pack containing the six reports relating to Ferguson Marine, together with the evaluation report regarding the Scottish Government's intervention with the BiFab business.

We acknowledge the Scottish Government's efforts to balance transparency with the protection of commercial interests, personal information, and legal rights, as outlined in your correspondence.

However, while we appreciate having sight of the reports, the Committee remains concerned about the overall transparency of the materials provided and the extent of redactions, particularly within the report from First Marine International (FMI) (Report 3). The level of redaction in the FMI report is so extensive that the information provided is largely meaningless. Similarly, the reports from Teneo, for example, Reports 2 and 6, are significantly redacted.

We note FMI's justification for these redactions in its letter to SCAD dated 6 February, in which it references the commercially sensitive nature of the information and the potential harm that further disclosure could cause to its business. However, the Committee is not persuaded that the extent of the redactions in this and the other reports can be justified.

Given the varied quality and detail across the reports, the Committee would appreciate clarification on whether the Scottish Government is satisfied with the level of redaction applied by its external consultants and their approach to protecting what they consider to be sensitive information.

The Committee therefore asks if the Scottish Government sought any further clarification or raised concerns with FMI or other consultants regarding these redactions?

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.

Additionally, the Committee would welcome clarification on the broader due diligence process undertaken by the Scottish Government when selecting external consultants. This would help the Committee better understand how the Scottish Government ensures that consultants provide reports of adequate transparency.

On a more positive note, the Committee found the evaluation report by Ernst & Young regarding the Scottish Government's intervention with the BiFab business (Report 7) to be comprehensive and informative. We particularly welcomed the inclusion of the five key recommendations for the future.

At our meeting last week, the Committee agreed it would be beneficial to hold a follow-up session with SCAD to explore the progress made in implementing these recommendations and to discuss the Scottish Government's approach to financial interventions more broadly.

An invitation for this session will be issued by the Clerks in due course.

The Committee would welcome a response to this letter by **14 April 2025**.

Yours sincerely,

A handwritten signature in black ink that reads "Richard Leonard". The signature is written in a cursive, slightly slanted style.

Richard Leonard MSP

Convener