



Colin Smyth MSP  
Convener  
Economy and Fair Work Committee

By email:  
[economyandfairwork.committee@parliament.scot](mailto:economyandfairwork.committee@parliament.scot)

29 July 2025

Dear Colin,

As you will know, Scottish Ministers are determined to do all they can to secure the future of bus manufacturing at Alexander Dennis sites in Scotland.

I have previously outlined the extensive work the Scottish Government and its agencies have been undertaking across a number of fronts, and alongside the company and trade unions, to ensure that all viable options are being explored. These efforts are continuing and I wanted to update you on the latest position.

The First Minister wrote to Alexander Dennis on Friday 25 July advising of a fresh proposal which may enable the company to retain its sites and jobs in Scotland. The First Minister confirmed that following assessment, this new proposal merits serious consideration and he has commissioned officials to engage further to explore it in detail.

To enable this proposal and associated matters such as furlough to be fully explored, the First Minister has asked the company to consider an extension to its consultation period. Scottish Government support for a company-operated furlough scheme for the company's Scottish workforce remains under consideration, with work ongoing on subsidy control considerations.

I spoke with UNITE the Union and GMB Scotland on 28 July to update them, and also with Alexander Dennis to follow-up on the First Minister's letter. I reiterated the Scottish Government's commitment to fully exploring any ways in which the Scottish Government might legitimately support the business to enable the retention of its Scottish facilities.

In addition, on 28 July, the Cabinet Secretary for Transport joined an extraordinary meeting of the UK Bus Manufacturing Expert Panel, to discuss a collective approach to the future pipeline of zero emission bus orders, along with opportunities for social value, which could support the UK bus manufacturing sector. The Cabinet Secretary travelled to London for the meeting which was chaired by the UK Minister for Local Transport Simon Lightwood and attended by UK mayoral authorities.

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The future pipeline of demand for electric buses across the UK is essential to support bus manufacturing in Scotland over the long term. Whilst the Scottish Government is able to assess demand in Scotland, potential demand from UK mayoral authorities and other relevant operators is essential. The session focussed on establishing the future pipeline of zero-emission bus orders, in order to support UK manufacturers with the potential for investment and growth.

As you will appreciate from the above, work on this issue continues at pace. The Scottish Government continues to do everything within its own power to identify opportunities to support the retention of bus manufacturing in Scotland, and continues to collaborate with others to encourage all stakeholders to take every action they can in the short, medium and long term to support this outcome.

I will endeavour to keep you updated on relevant developments.

Yours sincerely,

**KATE FORBES**

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St Andrew's House, Regent Road, Edinburgh EH1 3DG  
[www.gov.scot](http://www.gov.scot)

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