Cabinet Secretary for Wellbeing Economy, Fair Work and Energy Rùnaire a' Chaibineit airson Eaconamaidh do Mhath Dhaoine, Obair Chothromach is Cumhachd Neil Gray MSP Niall Gray BPA



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21 December 2023

Dear Richard and Edward,

You will be aware the CEO of Ferguson Marine has provided his quarterly update of 21 December 2023 to Net Zero and Transport and Energy Committee which notes that further review of the forecast provided in September 2023 is being undertaken, and that he will provide a further update on these figures once this has concluded, and is expected in January 2024.

This notification that there will be a review is extremely concerning, and at a recent meeting with the CEO, I impressed upon him the significant challenges facing Scottish Government in terms of spending. In addition, I reiterated that he should exercise every possible mitigation over potential overspend.

As I informed you in September, officials are preparing to undertake due diligence on the costs once the CEO confirms the review is complete. I will provide the committee with further information on this in due course.

I also note with deep disappointment, that the CEO has also signalled a risk of further delay, and I have continued to impress upon the CEO that any further slippage in the program would have a considerable impact on the island communities. I also met with the Chair of FMPG and have impressed on him the need to ensure that every possible mitigation to further delays is in place.

It is noted that progress has been made in moving towards a launch of Hull 802, and this is positive news.

I will, as stated at my appearance on 12<sup>th</sup> September, continue to provide you with all requested information that I can at the earliest opportunity.





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Again, I reaffirm my commitment that to support FMPG to deliver these lifeline ferries to service our island communities as quickly as possible remains one of my key priorities.

Yours sincerely,

**NEIL GRAY** 

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