

David Tydeman Chief Executive Ferguson Marine Port Glasgow By email only Net Zero, Energy and Transport Committee c/o Clerk to the Committee Room T3.40 The Scottish Parliament Edinburgh EH99 1SP

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16 November 2023

Dear David,

Approvals process for Hull 801 (Glen Sannox)

I am writing to thank you and the Chairman of Ferguson Marine (Port Glasgow) for giving evidence to the Committee on <u>24 October</u>. Thank you also for your letter of <u>14 November</u> providing an update on progress towards Maritime and Coastguard Agency (MCA) certification.

At the meeting, you were questioned about interactions with the MCA on seeking exemptions for historical design faults. You told the Committee that one of the "design gaps" you identified within your first three months in the role was "an MCA issue"—

"I was shown drawings dating back to 2016-17 that had red-line marks from the MCA highlighting that cargo rules had been used for some of the crew spaces and that there were non-compliance issues on stair widths and other aspects."

You told us that your first discussion with local MCA officers about the issues requiring exemption was in June 2022. You also said that two MSF1261 exemption applications had been made – one for stair widths and one for the use of cargo rules in crew spaces. On 24 October, you told us that in April of this year you had become aware that the MCA's "head office" had "...a stricter approach to the application of rules, decisions that had been made a long time ago and the modelling, and we had to do some rethinking between April and June." This was a reference to the MCA applying cargo rules to crew spaces. You told us that this had led Ferguson Marine to make an exemption application to the MCA for this as well.

The Committee is interested in the sequence of events which led to the applications, given that they will have led to further delays affecting islanders and increased costs to the taxpayer. I would therefore welcome more information on the following—

- 1. A comprehensive list of the "design gaps" you identified shortly after starting your role as Chief Executive;
- 2. The date on which you first notified CMAL and Transport Scotland/the Scottish Government of your discussions with the MCA in June 2022;
- 3. A comprehensive list of all the MSF1261 applications which have been made or will be made for each ship (both 801 and 802), clearly stating which of the "design gaps" identified these refer to. It would be helpful if this could include
 - a. The dates on which the "design gaps" and issues caused were identified;
 - b. The date on which you informed CMAL and Transport Scotland/the Scottish Government of those "design gaps" and the issues they caused;
 - c. The dates on which the MSF1261 applications were made in each case;
 - d. The date on which you informed CMAL and Transport Scotland/the Scottish Government of the need for the applications and the submission of the application;
 - e. Any information you provided CMAL and Transport Scotland/the Scottish Government on your anticipated outcome of the application and the dates on which you provided this;
 - f. The dates on which the outcomes of those applications were communicated to FMPG by the MCA;
 - g. The date on which you informed CMAL and Transport Scotland/the Scottish Government of the outcomes of each application;
 - h. details of how you continued to keep CMAL and Transport Scotland/the Scottish Government appraised of the "rethinking between April and June".
- 4. Details of how any "design gaps" which did not require an MSF1261 exemption were addressed;
- 5. Details of the "other aspects" of non-compliance you highlighted in the meeting on 24 October and in your letter of <u>22 August 2023.</u>

On classification society approvals, you told the Committee-

"I had a similar meeting with the senior people from Lloyd's Register and was assured at the time that we were on track and on a steady path to get the certification from Lloyd's. I do not believe that we have any surprises in that dimension."

You said—

"In May or June—somewhere around there—when I realised that we had the MCA issues to solve, I also called the senior surveyor from Lloyd's and said, "This has surfaced with the MCA. Is there anything from Lloyd's that could similarly surprise me?" He took a few days to go

and investigate and then came back and said no, *he did not think so*." [emphasis added]

6. I would welcome further detail on what steps you have taken to obtain a guarantee that this is a view shared by Lloyds Register and inaccurate assumptions are not being made (as was the case with the MCA).

The Committee requests that future quarterly updates include a list of potential issues and risks to the current timescales and costs, regardless of whether mitigating measures have yet been identified. It was helpful to receive an interim update from you in August this year and I request that we receive an interim update any time Ferguson Marine become aware of new developments with the potential to cause delays or increase costs, or which require previous updates to be amended or corrected. I request a response to this letter by 15 December 2023.

Yours sincerely,

Edward Manstain,

Edward Mountain MSP Convener Net Zero, Energy and Transport Committee