



The Scottish Parliament  
Pàrlamaid na h-Alba

## Public Audit Committee

Kate Forbes MSP  
Deputy First Minister and Cabinet Secretary for Economy and Gaelic

By email [dfmcseg@gov.scot](mailto:dfmcseg@gov.scot)

8 September 2025

Dear Deputy First Minister

### **The 2023/24 Audit of Ferguson Marine (Port Glasgow) Holdings Limited**

Thank you for the Scottish Government's response to the Public Audit Committee's recent report on the [2023/24 Audit of Ferguson Marine \(Port Glasgow\) Holdings Limited](#). The Committee considered the response at its meeting this week.

We write to express our disappointment that, two months on from the publication of our report and more than a year from the Scottish Government's commitment to provide £14.2 million to the yard, there appears to have been little tangible progress.

The Committee has also been made aware that, while procurement orders were issued for major items required for the yard, it has now emerged that these notices were subsequently withdrawn. This further undermines confidence that the promised investment will materialise.

The slow pace of new investment raises serious questions about the Scottish Government's commitment to providing Ferguson Marine with the urgent and sustained investment it needs to move on from the ferries' controversy, safeguard its workforce, reestablish its previous reputation and become competitive in a challenging market.

Of particular concern to us, is the lack of clarity around the £14.2 million of capital investment. Despite repeated assurances, it is still not clear to us:

- from which budget lines this funding will come;
- how it will be allocated across projects; and
- when it will be made available to the yard.

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Contact: Public Audit Committee, The Scottish Parliament, Edinburgh, EH99 1SP.  
Email [publicaudit.committee@parliament.scot](mailto:publicaudit.committee@parliament.scot). We welcome calls through Relay UK and in BSL through Contact Scotland BSL.

We remain concerned that, rather than being used to modernise facilities and improve competitiveness, this funding may simply be diverted to cover escalating costs on the MV Glen Rosa. Such an approach would do nothing to address the underlying issues of long-term viability that we have repeatedly highlighted. We further note in the response that you state:

“The scale and timing of these investments will depend on securing new work, ensuring that further capital improvements are underpinned by a sustainable pipeline of contracts”.

This appears to suggest that the Scottish Government will only commit investment once new work is secured. This is precisely the reverse of what is required. As we made clear in our report, it is the Committee’s view that the yard cannot hope to win new orders without urgent and immediate investment to modernise and improve productivity. This circular position risks further weakening the yard’s prospects and locking it into further decline.

We therefore ask you to provide a response to the following points:

1. The precise budget source of the £14.2 million promised, and the timeframe for its release.
2. A breakdown of the specific projects it will fund, and how these will improve the yard’s competitiveness.
3. Confirmation of the safeguards in place to ensure this money is not redirected to cover cost overruns on Glen Rosa.
4. The timeline for finalisation, ministerial approval and publication of the revised business plan, and how it will shape future government support.
5. How additional funding requirements for Glen Rosa, including the anticipated £35 million shortfall, will be met, and from which parts of the Scottish Budget.

The Committee notes confirmation in [correspondence between the Deputy First Minister and the Director-General Economy](#) in December 2024, that the written authority previously granted to progress the build of the MV Glen Rosa continues to be in place. We would welcome clarity on whether there will be a further Accountable Officer Assessment and whether any further ministerial written authority will be sought in light of the escalating costs.

The Committee is also aware of recent press reporting which raises further doubts about the yard’s future. Against this background, the Committee considers that increased clarity, transparency and urgency from the Scottish Government is essential.

We look forward to hearing from you.

Yours sincerely,

Richard Leonard

**Richard Leonard MSP**

**Convener**