

Richard Leonard MSP
Convenor
Public Audit Committee
Room T3.60
The Scottish Parliament
EDINBURGH EH99 1SP

25 November 2025

Dear Mr Leonard

Strategic Commercial Assets – Transparency Review

Thank you for your letter of 13 November 2025 regarding the implementation of the recommendations of the Transparency Review of the Strategic Commercial Assets Division.

I am pleased to note that further to my previous update to the Public Audit Committee from 6 October 2025, the Transparency Assurance Panel has met to review the first set of commercial advisory reports comprised of the information pack of commercial advice that was issued to the Committee in February 2025 regarding the written authority to complete vessel 802 at Ferguson Marine.

The panel is chaired by a senior civil servant who was not involved in the original decision-making. The panel assessed whether the balance between transparency and protecting commercially sensitive material and legal rights was achieved successfully, bearing in mind that the commercial sensitivity of advisory reports tends to decline over time. The panel has determined that most of the redactions were applied appropriately given that Ferguson Marine operates in a contested business environment where it seeks to win contracts against domestic and international shipyards. In this context, any commercial information that is released has the potential to put the yard at a competitive disadvantage.

Whilst this context has been recognised the panel did make recommendations to release some further information contained within the reports now, together with a timeline that indicates when the redacted material is expected to be published. Where redactions have been made, the panel has proposed setting out the rationale for making specific redactions to enhance transparency.

We intend to release this information on the gov.scot website in the area dedicated to the work to the Strategic Commercial Division (<https://www.gov.scot/publications/strategic-commercial-assets/>) and will advise the Committee when publication is made.

I note the Committee's view that shareholder authorisations should be afforded the same degree of transparency and public reporting as for written authorities. The Committee will know that written authorities have a basis in statute and, in the rare cases that a written authority is requested, Parliament and the relevant committees including the Public Audit Committee are notified and the details are published on the Scottish Government's website.

We have updated the SPFM to require that where Scottish Ministers exercise provisions of the Company's Act 2006 to direct company directors by special resolution to take or refrain from taking specified actions, Parliament will be notified.

As regards to written authorisations, which are relatively routine, we now publish summary data on the type and date of authorisations on the SCAD website. Further consultation will be required and advice submitted to Ministers on the question of whether shareholder authorisations should be afforded the same degree of transparency and public reporting as for written authorities, in part because this will set a precedent for other public bodies. We fully recognise the importance of this request to the Committee and will revert on this matter following broader internal consultation. I anticipate being able to say more on this topic with a considered response by February 2026.

Yours sincerely,

GREGOR IRWIN
Director-General Economy