



The Scottish Parliament
Pàrlamaid na h-Alba

Published 4 July 2025
SP Paper 846
3rd Report, 2025 (Session 6)

Public Audit Committee

The 2023/24 audit of Ferguson Marine (Port Glasgow) Holdings Limited



Published in Scotland by the Scottish Parliamentary Corporate Body.

All documents are available on the Scottish
Parliament website at:
<https://www.parliament.scot/documents>

For information on the Scottish Parliament contact
Public Information on:
Telephone: 0131 348 5000
Textphone: 0800 092 7100
Email: sp.info@parliament.scot

Contents

Membership changes	1
Introduction	2
Background	4
Committee Visit to Ferguson Marine	5
Role of the senior management team	6
FMPG's long term financial sustainability	7
Financial monitoring arrangements for completion of the MV Glen Sannox and MV Glen Rosa	12
Changes to senior management and board management	15
Risk management, control and governance arrangements	18
Contractor payments and reporting to the board	21
FMPG's revised framework agreement and relationship with the Scottish Government sponsor team	24
Public sector pay policy	24
Exit packages	24
Conclusion	27
Annexe - Extracts of minutes	28
Bibliography	29

Public Audit Committee

To consider and report on the following (and any additional matter added under Rule 6.1.5A)—

- (a) any accounts laid before the Parliament;
- (b) any report laid before or made to the Parliament by the Auditor General for Scotland; and
- (c) any other document laid before the Parliament, or referred to it by the Parliamentary Bureau or by the Auditor General for Scotland, concerning financial control, accounting and auditing in relation to public expenditure.

2. No member of the Scottish Government or junior Scottish Minister may be a member of the Committee and no member who represents a political party which is represented in the Scottish Government may be convener of the Committee.



publicaudit.committee@parliament.scot



0131 348 5984

Committee Membership



Convener
Richard Leonard
Scottish Labour



Deputy Convener
Jamie Greene
Scottish Liberal
Democrats



Colin Beattie
Scottish National Party



Graham Simpson
Scottish Conservative
and Unionist Party



Stuart McMillan
Scottish National Party

Membership changes

Membership changes of the Public Audit Committee during the reporting period are:

- Stuart McMillan MSP - 7 January 2025 to present
- Jamie Greene MSP (Con) - 8 February 2024 - 3 April 2025
- Jamie Greene MSP (Ind) - 3 April 2025-4 April 2025
- Jamie Greene MSP (LD) - 4 April 2025 - present

Introduction

1. Through its scrutiny of reports prepared by the Auditor General for Scotland (AGS) and Audit Scotland, the Public Audit Committee (the Committee) examines whether public funds are being spent wisely and holds to account those who are charged with spending public money. In all its work, the Committee aims to make a difference to the quality of public services in Scotland.
2. The AGS laid his section 22 report, [The 2023/24 audit of Ferguson Marine \(Port Glasgow\) Holdings Limited](#) (the report), in Parliament on 17 December 2024. The AGS states in the report that it brings to the Scottish Parliament's attention issues relating to Ferguson Marine (Port Glasgow) Holdings Ltd (FMPG):
 - financial sustainability and material risk and uncertainty over FMPG's ability to operate as a going concern; and
 - governance arrangements and internal controls.
3. The report highlights:

” ...a material risk and uncertainty over FMPG's ability to continue as a going concern, for at least 12 months from the date of signing the accounts. This reflects concerns noted by FMPG management in the performance report. At the time of the annual audit, the Scottish Government had not agreed funding beyond 2024/25. It has now confirmed ongoing support for 2025/26, subject to parliamentary approval of the budget. ¹
4. The Committee previously undertook scrutiny of the [2021/22 audit of Ferguson Marine \(Port Glasgow\) Holdings Limited](#). All the Committee's scrutiny work including links to the Official Reports of the meetings and correspondence can be accessed [here](#). Scrutiny of the 2021/22 audit remains open as the Committee continues to receive updates on the progress of the forensic examination of Ferguson Marine Engineering Ltd (FMEL) accounting records, the Framework agreement between FMPG and the Scottish Government and the delivery of the MV Glen Sannox.
5. The 2023/24 report also refers to the revised [Framework Agreement](#) between Ferguson Marine Group Companies and the Scottish Government, 2024 ² which sets out the broad framework within which FMPG will operate. It also defines key roles and responsibilities which underpin the relationship between FMPG and the Scottish Government. The document was drawn up by the Scottish Government in consultation with FMPG and published on 17 October 2024.
6. The 2023/24 report notes that issues relating to a lack of appropriate governance arrangements regarding the use of performance related bonus payments and uncertainty about the long-term sustainability of FMPG were highlighted in the 2021/22 audit report.
7. In addition, the 2023/24 report concludes that the Auditor:

” Identified a number of other areas where FMPG could improve its governance arrangements and internal controls to better manage risks to value for money. ¹

8. These additional areas include a need for FMPG, under the terms of its revised framework agreement, to align with the principles of public sector pay policy and be more transparent in its decision-making around pay and the use of exit packages. Management of FMPG must also strengthen its internal control and governance arrangements to ensure that there is appropriate segregation of duties. These issues will be examined in further detail in this report.
9. The Committee took evidence from the AGS on the 2023/24 report on [16 January 2025](#) and from FMPG and the Scottish Government on [5 February 2025](#). The AGS [provided follow up information to the Committee](#) on 31 January 2025 ³. FMPG also provided follow up information to the Committee by email dated 10 March 2025.
10. All written evidence received by the Committee in relation to the report [can be found on its webpages](#).
11. In addition, on 21 May 2025, the Committee [held an evidence session](#) with the Strategic Commercial Assets Division (SCAD) of the Scottish Government. The primary focus of the session was to examine SCAD's operations and receive an update on its transparency review. However, questions relating to FMPG arose including in respect of SCAD's confidence in the board, the increased costs associated with delivering the MV Glen Rosa and the source of the additional £35 million now estimated to be required to complete the vessel within the Scottish Budget. Following the session, the Committee agreed to write to SCAD requesting clarification on which part of the Scottish Government budget the anticipated £35 million will be allocated from.
12. This report sets out the Committee's key observations, recommendations and conclusions based on the evidence it considered through its scrutiny of the 2023/24 audit report.

Background

13. The AGS's 2023/24 report explains that in December 2019, the Scottish Government brought the Ferguson Marine shipyard in Port Glasgow into public ownership after it had been placed into administration. This created a new entity, Ferguson Marine (Port Glasgow) Holdings Limited which is a Non-Departmental Body wholly owned by the Scottish Government.
14. FMPG is the parent holding company of the wider FMPG group and holds 100 percent share capital for each of the three subsidiary companies:
 - Ferguson Marine (Port Glasgow) Limited
 - Ferguson Marine (801-802) Limited
 - Ferguson Marine (Commercial) Limited
15. The AGS reported on the [New Vessels for the Clyde and Hebrides: Arrangements to deliver vessels 801 and 802](#)ⁱ in April 2022. The Committee took extensive evidence on the report throughout 2022 and published its [own report](#) setting out its conclusions and recommendations in March 2023. The AGS's [response](#) to the Committee's report was published on 18 May 2023. The Scottish Government's [response](#) to the Committee's report was published 23 May 2023. The Committee agreed to close its scrutiny of the report and to consider outstanding matters through its work programme.

ⁱ Vessels 801 and 802 are now known as MV Glen Sannox and MV Glen Rosa

Committee Visit to Ferguson Marine

16. As part of its scrutiny of the AGS report, on 9 June 2025, the Committee also visited FMPG where we received a site visit, a tour of the MV Glen Rosa and held meetings with the senior management team and with the GMB trade union representative. A note of the meeting is available [here](#).
17. The Committee welcomed the openness and candour shown by the Chief Executive and senior team during our visit. It is evident that the delays and cost overruns associated with the MV Glen Sannox and MV Glen Rosa have caused significant reputational damage, and that restoring confidence in the yard will depend on securing new orders and demonstrating that they can be delivered successfully and on budget. The yard is not currently in a position to compete effectively, but with investment and modernisation, we believe there is potential for that to change. We heard that there are credible opportunities for the yard, particularly in the construction of 60 to 70 metre vessels, that align with the yard's capabilities. These potential work streams include phase II of the small vessels replacement programme (SVRP), border force vessels, offshore wind farm vessels like tri-floater work and service operating vessels (SOVs) and the Lord of the Isles replacement vessel. We are clear that Ferguson Marine should remain a yard that builds vessels and not act solely as a feeder yard for BAE systems.
18. There is a long-standing history at FMPG, and we are persuaded that there is no shortage of potential work if the yard can rebuild its competitiveness, and if stakeholders regain confidence that sustained investment is being made and effective management takes place. Securing a new order now would be an important step forward. It is also essential that lessons are learned from recent tender bids, such as phase I of the SVRP, where the yard was unsuccessful. We believe if investment is urgently made, the yard will be in a stronger position. If it is not, its long-term viability will remain in question as suggested in the Audit Scotland report. The Committee is realistic about the scale of the challenge but believes there is still an opportunity for recovery if action is taken now.

Role of the senior management team

19. Significant changes took place to senior management and to the board of FMPG during 2023/24 and to date. These changes are summarised below:
- In March 2024, the then Chief Executive's contract of employment was terminated by the Board. The decision to terminate the contract was in relation to unsatisfactory performance and was subject to approval by the Scottish Government.
 - An interim Chief Executive was initially appointed on a six-month appointment ending in September 2024. This was extended until Easter 2025. He subsequently resigned for personal reasons in March 2025.
 - The previous Chief Financial Officer was appointed on an interim basis and their contract ended in January 2024. A new interim Chief Financial Officer was appointed for a period of 12 months in December 2023. In March 2024, the appointment was made permanent.
 - Following the dismissal of the former Chief Executive, who was also accountable officer, the board decided to appoint the Chief Financial Officer as accountable officer.
 - Significant changes also took place in board membership during 2023/24 with four new members joining the board.
 - On 1 May 2025, a new Chief Executive Officer was appointed to FMPG. He assumed the role from the interim Chief Executive Officer.

FMPG's long term financial sustainability

20. One of the key messages from the 2023/24 report is the significant uncertainty around FMPG's long-term financial sustainability. It repeats similar concerns raised by the AGS in his 2021/22 audit report. The Committee explored this risk in detail during its scrutiny particularly in relation to the company's dependence on winning future contracts beyond the completion of MV Glen Rosa.
21. During evidence on 16 January 2025, the Committee asked the AGS why he had reached that conclusion. He told us:
 - ” The primary risk is that, although there are letters of comfort from the Scottish Government and funding arrangements in place in terms of both capital investment and letters of comfort from the Director-General Economy, there is no pipeline of work beyond the completion of MV Glen Rosa to support the viability of the yard”.⁴
22. Audit Scotland explained that as part of the audit, FMPG's assessment of the business as a going concern was considered and that within the annual accounts, the directors had "disclosed the key risks and uncertainties associated with the financial sustainability of the yard".⁴
23. The report states that in July 2024, the Scottish Government wrote to FMPG confirming it would continue to provide financial support for at least a period of 12 months from the date of approval of the 2023/24 annual report and accounts. On 4 December 2024, in its announcement of the budget⁵, the Scottish Government confirmed it would continue to provide funding of £47.9 million to FMPG during 2025/26, subject to parliamentary approval.
24. The Committee also notes correspondence dated 18 December 2024 received from the Director-General Economy⁶ enclosing a letter from the Deputy First Minister, dated 18 December 2024, confirming that Written Authority remains in place from Scottish Ministers to continue the build of the MV Glen Rosa. This followed an Accountable Officer assessment which concluded that the value-for-money test for the MV Glen Rosa had not been met.
25. Under the terms of the Public Finance and Accountability (Scotland) Act 2000⁷, there is a statutory duty on Accountable Officers to obtain Written Authority from Ministers before taking any action which they consider to be "inconsistent with the proper performance" of their functions.
26. As such, the Director-General had sought earlier Written Authority from the Cabinet Secretary for Wellbeing Economy, Fair Work and Energy to secure the continued build of vessel 802 at FMPG. In line with the requirements of the Scottish Public Finance Manual⁸, the Accountable Officer is required to provide copies of the Written Authority request and the Written Authority itself to the AGS and the Clerk to the Public Audit Committee. This information [was provided to the Committee in May 2023](#).
27. Ministers agreed that the build should continue in line with policy objectives set out

when FMPG was taken into public ownership. The letter from the Deputy First Minister states:

” I have dedicated up to £14.2m as an investment over two years in a range of initiatives to modernise FMPG and its equipment, and to improve productivity at FMPG, subject to full legal and commercial diligence.

28. When asked if what was set out in the draft budget for 2025-26 would cover all that was required to keep the yard functioning as a going concern, the AGS stated:

” In short, there are variables that probably limit our ability to give you the assurance that you are looking for today. The most significant variable is the position of Ferguson Marine Port Glasgow’s business plan which was predicated on the assumption of the direct award of the small vessels replacement programme.⁴

29. In oral evidence, the Director-General Economy clarified the position:

” They have shortlisted six firms as part of that process and Ferguson Marine is one of those firms. They are now in a phase of detailed technical assessment. A decision on the next phase of that procurement exercise will be taken in the next few months.⁹

30. We heard from the AGS that, if FMPG were unsuccessful in winning the small vessels replacement programme, its future would depend on the engagement that the Government has with the yard. He said:

” It is not a stretch to say that it would cause significant challenges either if the yard was unsuccessful in securing work through the small vessel replacement programme or if, in that case, the shortfall was not backfilled by other awards or avenues that the yard is currently pursuing.⁴

” The Government is currently the yard’s primary funder, and it will be a matter for the Government if it chooses, through budget submissions to Parliament, to continue funding the yard. What there will not be is an alternative revenue stream that is generated through building ships.⁹

31. Audit Scotland informed the Committee about discussions the yard is “actively involved” in around securing additional work outside the small vessel replacement programme, such as with BAE systems.

32. During evidence on 5 February 2025, the Committee asked FMPG for a breakdown of funds allocated by the Scottish Government to the yard and, specifically, whether the £47.9 million for the coming year contained in the draft budget, included the £14.2 million of capital funding being made available.

33. FMPG’s Chief Financial Officer and Accountable Officer explained that:

” The £47.9 million includes £1.9 million of resource funding and £46 million of capital funding is split between £37 million for the MV Glen Rosa – there will be about £38 million for the MV Glen Rosa and £9 million for capital investment in the yard... The £14 million is over two financial years and the split is £9 million and £5.2 million.⁹

34. The Committee explored whether too much reliance had been placed on winning the small vessels replacement programme and, if it failed to win this work, this would leave a hole in the business plan.
35. The Chair of FMPG rejected this. He said:
- ” No, it does not leave a huge gaping hole in the business plan. There are lots of opportunities that have been added up and tabulated. Expert advisers have provided advice on and input to the strategic plan. There are many other opportunities. It is not the case that 100 percent of the eggs are in one basket.⁹
36. The interim Chief Executive of FMPG agreed. He told us:
- ” I think that it was wise because if we had said that we did not want a direct award, that would have given the Government a reason not to give us it. Even without the direct award, we think that we are in good standing with regard to the bid.⁹
37. The Chair also expressed frustration with the bidding process "We are not playing on an even field, no shipyard in the UK can hit the prices of overseas shipyards. It is impossible... It is our job to try to work around some of those issues".⁹
38. However, the Committee notes that recent events appear to contradict this assertion. In May this year, a contract for two new small ferries on the Firth of Clyde was awarded to Cammell Laird, a UK shipyard based in Birkenhead. Western Ferries selected the company as the preferred bidder for vessels on its Gourock to Dunoon route.¹⁰
39. The Chair referred to the ongoing work at the yard to develop its strategic plan. He explained:
- ” We have been trying to pull that narrative into the future with substantiated data to articulate the dialogue of what the business needs to do over the next 10 years. That is part of the strategic document which is not in the public domain. The document looks at the skills base in the yard, the yard’s history, and the money on the table, that is the market opportunity.⁹
40. He clarified that it will "take another couple of months for it to clear the process and then we will be at liberty to share it".⁹
41. However, he was positive about the possibility of future work commenting that "there is no lack of money or opportunity out there". He said:
- ” There is work – a possible contract which involves a private individual. There are two or three other things in the pipeline that we are very enthusiastic about. We would definitely like to deliver some good news in the next six months.⁹
42. He accepted Audit Scotland’s decision to highlight the issue in the audit report. He said:

- ” By necessity [Audit] is a backward-looking function, they have not had access to the long-term strategic positioning in the enterprise and all the work that we have done. In some respects, that falls outside the audit scope, but Audit Scotland quite rightly raises the issue of where the future orders are. We will share what we are going to do but only when it is signed off by the sponsoring body and the Minister concerned.⁹
43. The Director of Economic Development at the Scottish Government told the Committee that they were “very encouraged” by the reputation that Ferguson’s enjoys among parts of the shipbuilding industry for being an expert in building small ferries. He said:
- ” That is a good basis. The board has looked comprehensively at the market, and I think that it has a clear idea of the kind of business that it can go for. Once the strategy is confirmed, it will translate into a business plan. We will be able to do a full assessment of that business plan then confirm the investment that will make that business plan happen.⁹
44. The Chief Financial Officer offered to provide the Committee with a full breakdown of how the £9 million will be spent, as part of the additional investment needed to bring the yard up to a standard where it can compete globally to win work.ⁱⁱ He explained:
- ” We will go through due process. We have set up a purchase order – a separate project code – for the money so we will be able to ring fence it and get proper approvals to say whether a proposal fits the capital expenditure criteria.⁹
45. The Director-General Economy emphasised the ongoing commitment of the Scottish Government to address concerns raised in the AGS report. He told us:
- ” The completion of the MV Glen Sannox is the start of a new phase for the business. The board is reviewing the yard’s commercial strategy and business plan, including the plan for investment and is pursuing a wide range of promising opportunities to secure a future pipeline of work. Let me reassure the Committee that we remain resolutely committed to working closely with the board to address governance concerns, to ensure the successful delivery of the MV Glen Rosa and to support the yard’s long-term commercial success.⁹
46. The Director-General Economy also confirmed that, at some stage, it was hoped the yard would return to private ownership. He noted:
- ” That is the stated intention at the appropriate time, if circumstances allow. Now is not the appropriate time. MV Glen Rosa needs to be completed and delivered. We are working on the strategy and will agree that business plan very soon and we need to find new work for the yard.⁹
47. The Committee asked whether the yard being publicly owned inhibited or improved

ii On 10 March 2025 a full breakdown of the proposed capital expenditure and yard improvement plans for the £9million was provided to the Committee. These are not repeated here for brevity.

its ability to compete for and win new business. The Director-General Economy explained:

” You could see potentially advantages and disadvantages...I would observe that most shipyards are not in public ownership. There are a number of shipyards around the world that are. However, for a sector that relies on orders from Governments including the related military sector the norm is for yards to be in private ownership.⁹

48. On 17 March 2025, following conclusion of the Committee’s evidence taking, the Scottish Government confirmed that FMPG had failed to secure the bid for phase 1 of the small vessels replacement programme. CMAL announced that a Polish firm, Remontowa, had been selected as the preferred bidder.¹¹

49. **The Committee has significant concerns about the ongoing uncertainty surrounding FMPG’s long-term financial sustainability beyond the completion of the MV Glen Rosa vessel, particularly following recent confirmation that the yard did not secure phase 1 of the small vessels replacement programme, a key assumption underpinning its current business plan.**

50. **While we acknowledge the strong reputation the yard earned historically and the Board’s confidence in securing new opportunities, it is clear that the cost overruns and delays in delivering the MV Glen Sannox have caused significant reputational damage. The yard now faces a substantial task in rebuilding trust and credibility. We recommend that the Scottish Government and FMPG prioritise finalising and publishing FMPG’s strategy and revised business plan and provide copies to this Committee as soon as possible, outlining how the yard intends to secure sustainable work for the future.**

51. **The Committee notes the Scottish Government’s significant financial support for the yard and the provision of capital and resource funding during 2025/26. We also note the continuation of the Written Authority from Scottish Ministers to proceed with the build of MV Glen Rosa despite an Accountable Officer assessment concluding that the value for money test was not met.**

52. **We believe that urgent investment in the yard is essential if it is to become competitive and stand a realistic chance of securing new work. The yard’s inability to compete effectively is, in part, the result of decades of under investment. Without addressing this, its long-term viability remains at risk. It is vital that all future investment in the yard is subject to transparent governance and rigorous value for money assessments. We ask the Scottish Government to set out how it is monitoring the impact of its investment so that it can achieve the outcomes it aims to deliver.**

Financial monitoring arrangements for completion of the MV Glen Sannox and MV Glen Rosa

53. The AGS's report sets out that the total cost (including contingency for risks) to FMPG to complete, as at May 2024, was £150 million in respect of MV Glen Sannox and £150 million in respect of MV Glen Rosa. The report also sets out additional investment in the yard from the Scottish Government in the form of capital contributions.
54. While the Scottish Government has committed funding for this purpose in the 2025/26 budget, the Director-General Economy confirmed that any increase beyond this amount would require Ministers to approve additional funding. The Committee expressed concerns that funds intended for the yard's long-term sustainability could be diverted to cover unanticipated shortfalls, and that the Scottish Government may find it difficult to refuse further funding requests given the significant investment already made and the importance of completing the vessel for island communities.
55. The Committee found it frustrating that FMPG was not able to confirm whether there would be further delays or increased costs for completion of MV Glen Rosa nor provide more detail on the current position. FMPG's Chair told us that they are "doing due diligence on the numbers under the auspices of the board and that is going to take another two or three weeks."⁹
56. The interim Chief Executive added:
- ” We are in the process of doing a bottom-up exercise on the MV Glen Rosa that will include all the lessons learned that we got at the tail end of the MV Glen Sannox project. We intend to provide a schedule so that [the Chief Financial Officer's] department can look at the costs and get something to the board in the next two or three weeks.”⁹
57. He explained that they were trying to mitigate the risk of further delay but acknowledged that it may not be delivered in September as planned. He said "if we come to the board and to the sponsoring party with a date we will not then change it as we have done in the past."⁹
58. On 13 May 2025, the new Chief Executive of FMPG wrote to the Net Zero, Energy and Transport Committee¹². The letter states "I can confirm that our plan will see the ship substantially complete in Q1.2026 at which point she will embark on a commissioning plan with CMAL, Lloyds Register and MCA and we aim to achieve full sign-off and delivery for the vessel in Q2 2026."
59. The letter adds that:

” FMPG will engage with CalMac to explore potential activities the crew can carry out prior to formal delivery of the vessel though the normal familiarisation process will take place post-handover, in addition we have initiated a weekly Review Group meeting with CMAL and the Scottish Government to review and monitor the progress of the plans and this will continue over the coming months.

60. And that:

” With regards to the forecasted cost to complete, we are estimating that, very regrettably, the forecasted costs will increase to £172.5 million with an additional £12.5 million risk contingency on top. This means our total cost to complete is currently forecasted at £185 million.

61. The Deputy First Minister and Cabinet Secretary for the Economy and Gaelic also wrote to the NZET Committee on 13 May 2025 in response to the letter from the Chief Executive.

62. The letter states:

” these changes at this late stage of the build programme are both unacceptable and deeply disappointing. The scale of the delay and cost escalation reflect challenges of leadership and control within the yard over a prolonged period, challenges which cause real consequences for the communities this vessel is intended to serve. ¹³

63. It goes on:

” The level of costs now forecast were not apparent at the time Parliament approved the Scottish budget and exceed the total capital allocated to Ferguson Marine. We will need time to consider fully the knock-on budgetary consequences of the revised delivery plan. I will continue to keep the Committee updated on the assurance process. ¹³

64. The Committee has concerns that delivery of MV Glen Rosa is subject to further delay, until at least Q2 2026 and that the revised cost forecast has increased again, to up to £185 million. The scale of this overrun, both in time and cost, further highlights longstanding weaknesses in project management and financial planning at FMPG.

65. In light of the significant public funding already committed and the potential budgetary impact of these latest developments, we share the Deputy First Minister’s disappointment and frustration. We call on the Scottish Government to provide a detailed explanation as to why, after a decade, costs and delays continue to escalate out of control.

66. We urge the Scottish Government to take immediate and decisive action to implement stronger oversight and governance measures. This should include clear accountability at every level, a detailed plan setting out how it intends to prevent further cost overruns and a firm commitment to delivering the project without further delay. We expect the Scottish

Government to explain how it will ensure costs remain under control in the future and to ensure that lessons learned from this project will be fully reflected in how future risks are managed.

67. **We also seek clarification on the source of the additional £35 million funding from the Scottish Budget 2025-26, given current fiscal pressures.**

Changes to senior management and board management

68. Significant changes took place to senior management and to the board during 2023/24. These are set out in detail in the Background section of this report at paragraph.
69. Given the scale of these changes, the AGS's report suggests that FMPG should assess whether the current board members have the necessary capacity to support the updated committee structure effectively. The AGS explained that, given the evolving nature of the board, stability and clarity in roles and responsibilities are crucial for maintaining effective governance. He told us:
- ” With a small board there is a risk of members being spread thinly across the various committee and governance activities. Consideration has been given to the need for effective governance improvements to the workings of committee, but it will be for the Government through the chair of the board to assess whether they can discharge all those responsibilities and governance arrangements effectively under the new set up.⁴
70. The AGS emphasised that this is not an indication of insufficient capacity, but rather a call for a period of assessment. With the volume of changes, he told us it will take time to evaluate whether the current structure is functioning effectively. In his view, it would likely take the next six to twelve months for the new chair to be confident that the governance model is working as intended, particularly considering the speed of change and the addition of four new board members in a short period of time.
71. [At our evidence session](#) with the Strategic Commercial Assets Division (SCAD) on 21 May 2025, we heard that steps have been taken to strengthen the breadth of experience on the Board of FMPG. The Scottish Government's Director of Economic Development explained that:
- ” We have also supported the Chair of Ferguson Marine to strengthen the amount of shipbuilding expertise on his board. The most recent non-executive director recruitment round enhanced that expertise when it put a very experienced shipbuilding man on the board. The Chair has also recently recruited a new Chief Executive who has a background in shipbuilding project and programme management. All of these moves strengthen the understanding of the industry that the Board operates in.¹⁴
72. He also noted broader governance improvements made under the current Chair's leadership. He told us:
- ” At the Committee's previous meetings, I made the point that the current Chair has very much strengthened the governance processes of the Board. He has brought really helpful and well-qualified talent into the team. In doing so, he has made a significant impact.¹⁴
73. FMPG's Chair clarified the current position and the engagement of board members. He told us:

” I meet for between 60 and 90 minutes every month one on one with the non-executive directors... We do a catch up call on Teams between the board meetings to discuss progress on the outcomes of the previous board meeting. We also have a discussion as a group of up to two to three hours on the agenda items for the next board meeting and on the papers that we want the management to prepare as part and parcel of the agenda. The agenda is agreed four weeks before the board meeting. Everybody in the management team knows the requirement to produce papers for the main board but we take papers from the sub-committees. That is the cycle.⁹

74. The Chief Financial Officer added that, in addition to formal board meetings, alongside the interim Chief Executive, he maintains regular communication with the non-executive directors. He noted:

” The [interim] Chief Executive and I are in the Chair’s office every week and we have regular one to ones with our sponsor non-executives. I have a weekly one with my non-executive director. Also, things do not wait until the board or committee meetings. We have regular emails and Teams calls.⁹

75. During the session on 5 February, the Committee explored the level of engagement of the trade unions in FMPG board meetings, particularly in light of the Framework agreement which states that Human Resources should “ensure that the “employee’s voice” is heard in the Boardroom, with a structured approach, including a workforce representative or Trade Union representative being present and contributing to relevant items at Board meetings”.¹⁵

76. We learned that a trade union representative was only present in the meeting for fifteen minutes. The Chair advised that, in addition the GMB member is “an active participant on the health and safety committee” and in the meeting for “about two hours” and described additional formal and informal dialogue taking place. He told us:

” John Petticrew will confirm that members of the senior management team of the enterprise are actively involved with unions on a lot of things to do with our future. They have a healthy input.⁹

77. The issue of trade union engagement was raised again in our meeting on 21 May 2025 with SCAD. We asked the Scottish Government whether this limited access was undermining meaningful representation by the workforce on areas directly affecting staff such as apprenticeships, working conditions and the future of the business. We expressed concern that the limited engagement with trade unions appears to highlight a lack of inclusive governance and risks weakening the voice of the workforce at a crucial time.

78. The Scottish Government responded:

” At the recent meeting, which Dermot Rhatigan attended, the union and you and others raised these questions about the employee voice, and we have taken those questions up with the board and the chair. I think that everybody acknowledges that there is more to do to strengthen that engagement and that that will be critical as we look to invest in the future of the yard and to develop and implement the new business strategy that the yard has put together. The strategy acknowledges some of those weaknesses, including in the functions around design, and it has an approach to deal with those. ¹⁴

79. **The Committee notes the recent changes to the senior management and board membership at FMPG. We share the view of the AGS’s that stability and clarity in roles and responsibilities are essential for maintaining effective governance. We agree with the AGS that, over the next six to twelve months, FMPG should review whether the current board has the necessary capacity and skill set needed to effectively support its committee structure.**
80. **We note with concern that trade union representatives are only permitted to attend board meetings for a limited period of time. In light of the significant operational challenges facing the yard, and the importance of strategic business planning, including workforce planning on key issues on the Board’s agenda, this level of participation is woefully inadequate. We consider that meaningful employee representation should be embedded in governance structures and, as the company undergoes restructuring and works to rebuild trust and improve efficiency, it is more important than ever that the workforce is engaged in this process.**

Risk management, control and governance arrangements

81. In May 2023, FMPG appointed the accountancy firm BDO to undertake its internal audit function. The report states that, prior to this, it had not had an internal audit function.
82. The report sets out that internal audit presented its annual report to the Audit and Risk Committee in September 2024 and noted “significant delays to the commencement and completion of reviews that were agreed within the 2023/24 audit plan” and confirmed that internal audit was “unable to complete enough reviews to provide an opinion on the overall risk management, control and governance arrangements within FMPG. It was also unable to provide assurance over the implementation of its recommendations”.¹
83. In oral evidence, the AGS clarified that public bodies are required under the Scottish Public Finance Manual to have an internal audit function. The creation of FMPG as a public body brought this requirement into effect. He told us:
- ” The firm of auditors set out an annual plan which was considered by the audit and risk committee. However, it is significant that it was not able to complete that consideration. That means that the committee and the accountable officer did not have all the information at its disposal to make a rounded assessment of the adequacy of controls and how well public money was being spent.⁴
84. The Committee expressed concern about weaknesses identified in the internal audit arrangements. The AGS clarified:
- ” Of the risks that the internal auditors highlighted over the course of the year, there were 10 high risk recommendations and 19 medium risk recommendations. Undoubtedly there is work for a board and its committees to do to get a handle on these issues.⁴
85. Audit Scotland expressed a view that one reason contributing to the delays was that this was the first year the organisation had an internal audit function. Another key challenge was turnover in senior leadership including the Chief Financial Officer and the Chief Executive, both of whom would typically act as sponsors for internal audit. This disruption affected the organisation’s ability to complete the whole audit programme for the year and to provide an overall opinion on the internal control and risk environment.
86. The AGS further explained:
- ” Access and capacity issues and the focus on the delivery of the vessels have all restricted internal audit’s ability to deliver its agreed programme, which would have been agreed with the audit and risk committee to support the delivery of assurance for FMPG. We expect to see progress and catch up this year.⁴
87. The Committee examined these criticisms and the identification of high and low risk

areas in further detail. The interim Chief Executive told the Committee:

” We appointed BDO which has a plan to do around six or eight internal audit reviews in its first year. It managed to get through three. Bandwidth and changing senior management and operational management made engagement difficult. BDO has admitted that, with the amount of turnover, that was probably an ambitious plan for the first year.”⁹

88. He outlined for the Committee where improvements were being made and explained that FMPG were now fully engaged with BDO on a weekly basis, and it had started and was close to finishing three reviews for this year and would do another three which would finish by the end of June. He expected to be fully compliant within six months. He said:

” We had 10 high risk and 19 medium risk areas which were mainly from the payroll and information technology audits. All 10 high risk areas have been addressed and management responses have been put in for them and for 17 of the 19 medium risk areas. The other two will be addressed when the audit and risk manager and payroll manager come in. We are on course to do that.”⁹

89. The Committee asked Audit Scotland whether it believed sufficient progress was now being made. We welcomed its response that there was a “clear commitment from Ferguson Marine and from the audit and risk committee around the importance of the role of internal audit and a commitment to complete the work in sufficient time to provide an independent opinion for 2024-25”⁴. Audit Scotland confirmed that, based on the latest update, it had no concerns about the organisation’s commitment to completing the internal audit programme.

90. The Chair acknowledged the previous lack of effective governance arrangements commenting that “it is not the norm not to have internal control and that there was a “loose approach”⁹. He said “I do not think that it was a case of such controls being dismantled, the internal controls that there were just drifted away, and some were just not there at all.”⁹

91. However, he assured the Committee that over the past two years, efforts had been made to strengthen these arrangements. He told us “The tightening up of the board’s governance procedures and internal audit controls and the appointment of BDO are all part and parcel of tightening up processes so that there is more transparency in the business.”⁹

92. He gave an example of improvement in processes: He said “A good example is that we do not pay an invoice now unless we have a purchase order where previously it was indiscriminate whether that happened”.⁹

93. The Interim Chief Executive added “There is a process for team approval and a budget is allocated in that regard. That was not the case previously.”⁹

94. Reflecting on the wider governance improvements, the FMPG Chair described the situation as a “gradual process of getting control of the business” and a case of “constant improvement”. He acknowledged however that the issue was broader than simply managing the costs in the business.

95. The Chief Financial Officer added that internal audit is now engaging more comprehensively across the organisation. He said:
- ” Engagement with internal audit is now stepping up to a far greater level across the business, not just in relation to finance or support staff - it is operational. We have a detailed corporate risk register and project risk register. And there are regular risk meetings. We have four sub-committees that meet regularly. One is the audit and risk committee which is very strong and goes through external and internal audit.⁹

96. **The Committee notes that while FMPG previously had an audit and risk committee in place, 2023/24 was the first year in which it operated with a dedicated internal audit function. We recognise that a number of significant challenges including turnover in senior posts contributed to delays in delivering the internal audit programme. We welcome the commitment from FMPG to strengthen internal controls and complete the full audit programme for 2024-25.**

97. **However, given the scale of historical weaknesses and the number of high-risk areas requiring attention, we seek assurances from the Scottish Government that it will closely monitor the implementation of the internal audit programme and ensure internal audit is on track to deliver a full opinion by year end.**

Contractor payments and reporting to the board

98. The AGS identified weaknesses in governance arrangements and transparency relating to contractor payments and this was one of the key messages of this report.
99. It sets out that during 2024, the Chief Financial Officer carried out an internal management investigation into contractor payments. This investigation “identified weaknesses in the governance arrangements and transparency of reporting to the board”. ¹ The report further states that the former Chief Executive approved the following payments without the knowledge of the board or remuneration committee:
- A contract variation approving the appointment of a secondee from CMAL onto the FMPG payroll with a salary of £36,000.
 - A revised contract variation letter increasing the secondee’s salary to £54,000.
 - Agreeing a change in payment arrangements to the secondee from an employee of FMPG to a limited company where the employee was sole director.
100. In a written submission to the Committee ¹⁶, the former Chief Executive of FMPG, David Tydeman stated that the secondment agreement was established and announced in February/March 2022 and was approved by both the chairman and the Chief Financial Officer at the time. He further noted that a contract variation to extend the secondment and designate the secondee as “Ship Director” for the MV Glen Sannox was agreed in late 2022. He also stated that a short-term consultancy ^[1] Written submission dated 30 January 2025 by David Tydeman, former CEO to FMPG agreement was established at that time, but it continued longer than expected due to project delays.
101. The Committee sought further clarification from FMPG regarding the value of the arrangement. Between February 2023 and March 2024, the sum of £144,685 was invoiced by the limited company. This arrangement including the change to self-employed contractor status was not approved by the board or remuneration committee.
102. The Chair of FMPG told the Committee “There was a remuneration committee at that time, but its minutes show no indication whatsoever that it was consulted on that secondment” ⁹. He also clarified that FMPG does not operate a one-on-one reporting process meaning that multiple people should be involved in any decision relating to staffing.
103. The Chief Financial Officer elaborated further on how this arrangement changed without appropriate approvals. He explained:

” There was a formal agreement between CMAL and Ferguson Marine for Mr Crossan to come over and work for a period. I have all this in a timeline in my report. There was a period where, when that secondment happened, there was a top-up. Mr Crossan became a Ferguson Marine employee as well, to top up the CMAL salary. There was an arrangement and a contract under Ferguson Marine—that was fine—and then that was increased. That was in March 2022 and, in June 2022, it was increased.⁹

104. He continued:

” The problem came in December 2022 when a secondment agreement was still in place in the background and, as far as the remuneration committee, the FMPG board and chair and CMAL were concerned, that was still in place and [the secondee] was still a Ferguson’s employee. That did not happen, he changed to being a self-employed contractor in December 2022 without the knowledge of the Ferguson Marine board, the remuneration committee or CMAL. There was not contract in place for that.⁹

105. He clarified that, while a salary upgrade for the secondee was agreed in June 2022, “the December 2022 change was not agreed.”⁹

106. The report also outlines that former Chief Executive completed an IR35 HMRC toolkit using HMRC’s online toolkit and concluded the rules did not apply. However, FMPG subsequently calculated that an underpayment of £48,000 in respect of PAYE is now due to HMRC.¹

107. When the Committee asked the Chief Financial Officer whether Mr Tydeman had ever raised the IR35 issue with him, he responded: “I do not remember ever having a conversation with Mr Tydeman about an IR35 issue.”⁹

108. The Committee notes a clear discrepancy between the findings of the internal investigation, which indicate that key contractual changes were made without board approval, and the written evidence provided by the former Chief Executive which asserts that these arrangements were authorised by the Chair and Chief Financial Officer at the time. This highlights the Committee’s continued concerns regarding governance and the adequacy of record keeping at FMPG during this period.

109. The Committee has concerns that FMPG failed to properly document and approve the contractor payment arrangement for the CMAL secondee and that this also left the organisation exposed to a liability to HMRC.

110. We seek assurances that FMPG has now implemented a clear and robust oversight process for all non-standard staffing arrangements, such as secondments. These arrangements should be formally approved in writing by the board or remuneration committee and must fully comply with HMRC requirements.

111. The Committee notes the differing accounts provided in evidence by the former Chief Executive and current senior team regarding the contractor arrangement. It recommends that lessons from the Chief Financial Officer’s

internal investigation are used to strengthen financial governance and accountability arrangements in the future.

FMPG's revised framework agreement and relationship with the Scottish Government sponsor team

Public sector pay policy

112. Under the revised framework agreement, approved by Scottish Ministers in July 2024, FMPG is not obligated to comply with public sector pay and conditions. However, this exemption is conditional on maintaining regular dialogue with the Scottish Government Sponsor Directorate and with an expectation that they will align with the guiding principles of public sector pay strategy.
113. The Committee explored how this alignment is interpreted in practice. The Director General Economy told us:
- ” There is no obligation to comply with the policy but there is an expectation to align with it... The framework agreement is always the document to go to, to understand the basis upon which we interact.”⁹
114. However, FMPG highlighted that commercial realities must also be considered when recruiting specialist staff. The Chair of FMPG commented: “No one will come to Ferguson Marine and take half the salary that they are currently getting. We must have due regard to that”⁹. He added that under his leadership over the past two years: “No employees have been taken on who have had performance or retention elements to their contracts...with the exception of the rate that we have to pay.”⁹
115. He noted that strict adherence to public sector probation periods, ie three months would hamper recruitment from the commercial sector: “We have to follow the commercial dimensions rather than the public policy dimensions. However, we pay due regard and due heed to the latter.”⁹

Exit packages

116. The AGS's report sets out that, during 2023/24, FMPG paid three exit packages exceeding the £95,000 threshold set out in the Scottish Public Finance Manual (SPFM). Only one of these packages, relating to the former Chief Executive received advanced approval from the Scottish Government.
117. The report further notes that the auditor “highlighted that this is a significant deviation from the expected governance processes as outlined in the SPFM”.¹
118. In oral evidence, the AGS clarified to the Committee:

” There were three settlement agreements during the year, Two were for members of management who were not senior managers. Of those three, only one received Scottish Government approval, and that was the one for the former Chief Executive which was in respect of payment of lieu of notice. ⁴

119. He added:

” We have an example of the Scottish Government not giving either prospective or retrospective approval. That is an indication of the dim view that the Scottish Government has taken of the process that was followed in the awarding of settlement agreements. The governance process was not appropriately followed and FMPG did not have appropriate documentation either. Those are all indications of poor processes, poor governance and decisions not being taken properly. ⁴

120. When we explored this in further detail with the Chair of FMPG, he confirmed:

” One of the three packages directly under my control and the board’s control was the package for the chief executive officer which was approved by the Scottish Government. With the other two, there was a bypass of process and due diligence in that they did not come to the remuneration committee to be reviewed. The decisions and payments were made by the accountable officer at the time who bypassed the very strict governance rules of the remuneration Committee. ⁹

121. He continued "I would not expect the sponsoring body to condone behaviour such as approval of something that has already happened which has bypassed the governance rules. That was done without reference to the board. When the board found out it took action." ⁹

122. The Director-General Economy confirmed that the Scottish Government regarded the governance failures as unacceptable. He said:

” That message was made very clearly. The focus has been on the steps that need to be taken to ensure that it cannot be repeated. Those include a requirement that all settlement agreements should go in advance to the remuneration committee before approval. Any settlement agreement above the £95,000 limit that applies as part of the pay policy needs to be agreed and signed off by the remuneration committee then the board and then it goes to ministers for approval. ⁹

123. He added that officials are now working with the board and sponsorship team "to understand what steps the board and the management team propose to take and to get assurance that we are confident that those address the issue." ⁹

124. The report also notes that, in March 2024, the Board terminated the former Chief Executive’s contract of employment citing unsatisfactory performance. However, the SPFM at paragraph 14 sets out that settlement agreements should not be used to deal with poor performance. The AGS clarified that "They were contractual payments in lieu of notice rather than additional payments." ⁴

125. The Chair of FMPG told us:

” The general umbrella for his dismissal was the board had lost confidence in his ability to deliver against the financial parameters that had been set and agreed to and the timetabling parameters. It was a performance related issue, and the board unanimously took action with regard to his employment. ⁹

126. He added:

” There were also issues around the general acceptance of governance processes from the board in terms of what has to be reported and what has to be discussed and the fact that he had bypassed some of the very sane and normal rules that you would have in an employment contract. ⁹

127. The Chair of FMPG said that the board had kept the sponsor team informed throughout and that the performance issue "was discussed quite heavily with the sponsoring department, and there was a unanimous decision of the board to take that action." ⁹

128. The Director-General Economy explained that he was not aware of the detail and that:

” those were matters for the board to resolve. The Scottish Government was told by the board on 30 November that it was considering the future of the CEO given performance issues and we got a formal notification on 28 February that following a unanimous decision by the board it would end his employment. ⁹

129. The Committee asked FMPG whether it routinely raises issues of concern with the sponsor team. The Chair confirmed that this was the case. He told us:

” A good example is the performance of the CEO. We referred up front, at the end of November, the board's concerns, and took the team's advice. I have responsibilities under the framework agreement to talk to the sponsoring team before I or the board can make the decision to fire the CEO. ⁹

130. The Committee has concerns about the payment of two exit packages above the SPFM threshold without prior or retrospective approval from the Scottish Government. We view these as unacceptable and a serious failure of governance and internal controls.

131. FMPG must ensure all exit arrangements follow the process outlined in the Scottish Public Finance Manual (SPFM) requiring review by the remuneration committee, approval by the board and sign off by Scottish Ministers where required. The Scottish Government must also learn any lessons from this failure for future sponsoring arrangements.

132. The Committee acknowledges that FMPG is not bound by public sector pay policy but is expected to align with its principles. While commercial realities must be considered, we recommend that FMPG clearly document and justify any decisions that depart from public policy expectations and share this information with the sponsor team for transparency.

Conclusion

133. The Committee is concerned by the governance and financial management issues identified by the AGS during its 2023-2024 audit of FMPG. From weaknesses in internal audit and contract oversight to non-compliance with approval processes for exit payments, it is clear that the organisation has, at times, failed to meet the standards expected of a publicly funded body.
134. The Committee also notes uncertainty over FMPG's long-term financial sustainability particularly in the absence of confirmed work beyond the delivery of MV Glen Rosa. We note with significant concern and frustration that delivery of MV Glen Rosa has also been further delayed to Q2 2026, with total forecast costs rising to £185 million, as outlined in FMPG's correspondence to the NZET Committee dated 13 May 2025.
135. While the Committee recognises that improvements have been made and are underway, and we welcome these, particularly in relation to board engagement, transparency, and financial controls, the scale of historic failings highlights the need for continued vigilance. We also emphasise the importance of completing the internal audit programme and embedding governance procedures across the organisation. This should include clear segregation of duties and improved reporting to the board. The Deputy First Minister's letter to FMPG dated 13 May 2025, acknowledged "prolonged leadership and control challenges" within FMPG and this reinforces our view that issues require to be urgently addressed.
136. While we note that FMPG is not obliged to comply with the public sector pay policy, its revised framework agreement requires alignment with its principles. It is therefore vital that decisions on pay, bonuses and exit packages are transparent, properly authorised and represent value for money.
137. We welcome the AGS's intention to continue monitoring progress in these areas and to report publicly where necessary. We believe this ongoing scrutiny is essential to ensure that public funds are managed appropriately in the future. The Committee expects regular updates on progress from both FMPG and the Scottish Government.

Annexe - Extracts of minutes

Extracts of the minutes of meetings of the Public Audit Committee

2nd meeting, Thursday 16 January 2025

2. The 2023/24 audit of Ferguson Marine Port Glasgow (Holdings) Limited: The Committee took evidence from— Stephen Boyle, Auditor General for Scotland; John Boyd, Audit Director and Dharshi Santhakumaran, Senior Manager, Audit Scotland.

3. The 2023/24 audit of Ferguson Marine Port Glasgow (Holdings) Limited (In Private): The Committee considered the evidence heard at agenda item 2 and took further evidence from— Stephen Boyle, Auditor General for Scotland; John Boyd, Audit Director and Dharshi Santhakumaran, Senior Manager, Audit Scotland.

4. The 2023/24 audit of Ferguson Marine Port Glasgow (Holdings) Limited (In Private): The Committee considered the evidence heard at agenda items 2 and 3 and agreed to invite Ferguson Marine Port Glasgow (Holdings) Limited and the Scottish Government to give oral evidence at a future meeting.

5th meeting, Wednesday 5 February 2025

2. The 2023/24 audit of Ferguson Marine Port Glasgow (Holdings) Limited: The Committee took evidence from— David Dishon, Chief Financial Officer and Accountable Officer, Andrew Miller, Chairman and John Petticrew, Interim Chief Executive Officer, Ferguson Marine (Port Glasgow) Ltd; Gregor Irwin, Director General Economy, Dermot Rhatigan, Deputy Director, Strategic Commercial Assets Division and Colin Cook, Director of Economic Development, Scottish Government.

3. The 2023/24 audit of Ferguson Marine Port Glasgow (Holdings) Limited (In Private): The Committee considered the evidence heard at agenda item 2 and took further evidence from— Stephen Boyle, Auditor General for Scotland; John Boyd, Audit Director and Dharshi Santhakumaran, Senior Manager, Audit Scotland.

4. The 2023/24 audit of Ferguson Marine Port Glasgow (Holdings) Limited (In Private): The Committee considered the evidence heard at agenda items 2 and 3 and agreed to await further written information from Ferguson Marine Port Glasgow (Holdings) Limited and the Scottish Government before agreeing its next steps.

The report was discussed at the following Committee meetings in relation to its work programme:

Minutes of the meeting on Wednesday 26 March 2025 (Work Programme):

The Committee considered its work programme and agreed to draft a report on the 2023/24 audit of Ferguson Marine Port Glasgow (Holdings) Limited.

Minutes of the meeting on Wednesday 30 April 2025 (Work Programme):

The Committee considered its work programme and in relation to the 2023/24 audit of Ferguson Marine Port Glasgow (Holdings) Limited, the Committee considered and agreed key issues for inclusion in a draft report.

- [1] The Auditor General for Scotland. (2024, December 17). The 2023/24 audit of Ferguson Marine Port Glasgow (Holdings) Limited. Retrieved from audit.scot/uploads/2024-12/s22_241217_ferguson_marine_port_holdings_limited.pdf
- [2] The Scottish Government. (2024, October). Framework Agreement Ferguson Marine Group Companies and Scottish Government, October 2024. Retrieved from www.gov.scot/binaries/content/documents/govscot/publications/agreement/2024/10/framework-agreement-ferguson-marine-group-companies-scottish-government-2024/documents/framework-agreement-ferguson-marine-group-companies-scottish-government-2024/framework-agreement-ferguson-marine-group-companies-scottish-government-2024/govscot%3Adocument/framework-agreement-ferguson-marine-group-companies-scottish-government-2024.pdf
- [3] The Auditor General for Scotland. (2025, January 31). Correspondence to the Convener from Stephen Boyle, the Auditor General for Scotland. Retrieved from www.parliament.scot/-/media/files/committees/public-audit-committee/correspondence/2025/fmpg-follow-up-ags-to-pac-31-jan-2025.pdf
- [4] The Scottish Parliament. (2025, January 16). Official Report. Retrieved from www.parliament.scot/api/sitecore/CustomMedia/OfficialReport?meetingId=16208
- [5] Scottish Government. (2024, December 4). The Scottish Budget 2025 to 2026. Retrieved from <https://www.gov.scot/publications/scottish-budget-2025-2026/>
- [6] The Scottish Government. (2024, December 18). Correspondence from Gregor Irwin, Director-General Economy to the Convener. Retrieved from www.parliament.scot/-/media/files/committees/public-audit-committee/correspondence/2024/written-authority-dg-economy-to-pac-19-dec-2024.pdf
- [7] Public Finance and Accountability Act (Scotland) 2000. (2000). Retrieved from <https://www.legislation.gov.uk/asp/2000/1/contents>
- [8] The Scottish Government. (2025, March 31). Scottish Public Finance Manual: delegated authority. Retrieved from <https://www.gov.scot/publications/scottish-public-finance-manual/delegated-authority/delegated-authority/>
- [9] The Scottish Parliament. (2025, February 5). Official Report. Retrieved from www.parliament.scot/api/sitecore/CustomMedia/OfficialReport?meetingId=16251
- [10] Cammel Laird. (2025, May 8). Western Ferries (Clyde) Limited Signs Contract for Two New Vehicle and Passenger Vessels for its Gourock to Dunoon Route with APCL Cammell Laird. Retrieved from <https://www.cammell-laird.co.uk/news/western-ferries-clyde-limited-signs-contract-for-two-new-vehicle-and-passenger-vessels-for-its-gourock-to-dunoon-route-with-apcl-cammell-laird>
- [11] Caledonian Maritime Assets Limited (CMAL). (2025, March 28). SVRP: Contract Signed for Small Vessels. Retrieved from <https://www.cmassets.co.uk/svvp-contract-signed-for-small-vessels/>

- [12] Ferguson Marine (Port Glasgow) Limited. (2025, May 13). Correspondence from Graeme Thomson, Chief Executive Officer to the Convener of the Net Zero, Energy and Transport Committee. Retrieved from <https://www.parliament.scot/chamber-and-committees/committees/current-and-previous-committees/session-6-net-zero-energy-and-transport-committee/correspondence/2025/update-on-delivery-timeline-and-costs-for-mv-glen-rosa> [accessed 3 July 2025]
- [13] The Scottish Government . (2025, May 13). Correspondence to the Net Zero, Energy and Transport Committee. Retrieved from <https://www.parliament.scot/-/media/files/committees/net-zero-energy-and-transport-committee/correspondence/2025/may-2025/letter-from-dfmcabseceg-responding-to-fmpg-letter-13-may-2025.pdf>
- [14] The Scottish Parliament. (2025, May 21). Official Report. Retrieved from www.parliament.scot/api/sitecore/CustomMedia/OfficialReport?meetingId=16449
- [15] The Scottish Government. (2024, October). Framework Agreement Ferguson Marine Group Companies and the Scottish Government, 2024. Retrieved from www.gov.scot/binaries/content/documents/govscot/publications/agreement/2024/10/framework-agreement-ferguson-marine-group-companies-scottish-government-2024/documents/framework-agreement-ferguson-marine-group-companies-scottish-government-2024/framework-agreement-ferguson-marine-group-companies-scottish-government-2024/govscot%3Adocument/framework-agreement-ferguson-marine-group-companies-scottish-government-2024.pdf
- [16] David Tydeman, former Chief Executive. (2025, January 30). Written submission. Retrieved from www.parliament.scot/-/media/files/committees/public-audit-committee/correspondence/2025/fmpg-written-submission-david-tydeman-former-ceo-fmpg-to-pac-30-jan-2025.pdf

