

Table of Acronyms and Abbreviations

BiFab	Burntisland Fabrications
Cab Sec	Cabinet Secretary
FEP	First E&P
HIE	Highlands and Islands Enterprise
JVD	JV Driver
NnG	Neart na Gaoithe
SCS	Senior Civil Servant(s)
SE	Scottish Enterprise
SG	Scottish Government

Scottish Government call with Jason Fudge – 7 May 2020

Present

DF Barnes

Jason Fudge (JF)

Grant Thornton (GT)

[Redacted]

Scottish Government

Andy Hogg (AH)

[Redacted]

Key Points:

[Redacted]

- JF noted that he believed there were material changes to the [Redacted] at short notice. [Redacted].
- AH referenced fact that key areas of concern flagged by BiFab – [Redacted] – were based on commercial advice on most recent [Redacted] provided by the business, only recently provided
- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]

[Redacted]

- JF said he was [Redacted]
- [Redacted] noted that Taylor Wessing & MacRoberts were in discussions on [Redacted] last night so it may now be resolved
- JF view this could be [Redacted] later this afternoon

[Redacted]

- JF noted no response from [Redacted], but that was to be expected. Advising [Redacted] will be Monday.

Cabinet Secretary for Economy, Fair Work and Culture call with EDF
Renewables – 14 May 2020

Attendees:

Fiona Hyslop MSP, Cabinet Secretary for Economy, Fair Work & Culture (FH)

Matthieu Hue, CEO EDF Renewables

Matthias Haag, Project Director, Near na Gaotihe (NnG)

[Redacted]

Andy Hogg, SG

[Redacted] SG

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- FH - interested to hear about EDF projects particularly NnG and the impact COVID
 - Matthieu - been developing renewables in Scotland for 10 years. Keen to do more in Scotland and very important to the company. Opened in an office in Edinburgh which houses 100+. Extensive portfolio across UK majority in Scotland. Majority of activity in onshore wind and of course NnG in offshore keen to do more and looking to bid into ScotWind. Plus solar PV and battery but not really in Scotland at the moment. Keen to work closely with supply chain and the local community proactively engaging with opportunities for the Scottish supply chain on NnG. Circumstances of COVID is challenging for all the company and isn't - at the moment - [Redacted], not furloughing anybody nor have any intension to do so. Looking to continue operations safely and following the guidelines, and in consultation with communities and contractors. Looking at new ways of working - spoke to Mr Wheelhouse last week and welcome the engagement with SG Ministers and officials.
 - Construction - Burnwood East has stopped and NnG; but now slowly looking at ways to restart activity.
 - FH - value the relationship with EDF. Renewables will continue to be a key part of our industrial future. Especially in current climate in a green recovery. Pleased that Eyemouth has Operations & Maintenance and Dundee to be a catalyst to support wider supply chain. Encouraged that Saipem discussions are moving to conclusion.
 - Seen as a country that operates safely and give the workforce confidence to return to work. Finding ways to engage the community and potential local politicians to inform of what is going to happen.
 - Opportunity to showcase Scotland from end to end from development to community engagement

- Matthieu - community engagement is key to us and will share the feedback with us. On supply chain, there are challenges to increase the local content. What we see that there a lot of SMEs that can provide services but difficult to find larger companies (Tier 1/2)
- Companies like [Redacted] have worked proactively but challenges to be competitive remain, as others out with Scotland. Companies need to work together collaboratively to make a greater offering.
- FH - build on resilience to ensure supply chain is competitive and offer a product. Important area and we need to work together to improve. There will be more demand for renewable energy so there is a real opportunity.
- FH - keen to meet face to face when we can.
- Matthieu - planning on the approach Scotland takes and a strategy behind that, grid is key to ensure future development
- FH - as part of COVID speaking to UK Government impressing on them to [improve grid to permit an increase in development](#).
- Matthieu - recent Contracts for Difference (CfD) announcement on the reintroduction of onshore wind and solar and the consultation will prove fruitful.

Scottish Government call with Local Management – 18 May 2020

Present

BiFab

Martin Adam

[Redacted]

[Redacted]

Grant Thornton

[Redacted]

Scottish Government

[Redacted]

[Redacted]

[Redacted]

Neart na Gaoithe (NnG)

- [Redacted] have been in conversation [Redacted] in the past week [Redacted].
- [Redacted] back with some queries and BiFab are managing this process with them. [Redacted]
- [Redacted].
- [Redacted].
- [Redacted].
- [Redacted].

[Redacted]

- BiFab haven't had any formal correspondence from [Redacted] since the [Redacted]. Only email they have received was from the [Redacted]. BiFab will discuss with [Redacted] to see if they have any concerns with this.

First E&P (FEP)

- Payment was made to BiFab and the jacket sailed on 8th May 2020. BiFab have not heard from First E&P since. Feedback from BiFab was that FEP management may [Redacted]. [Redacted].

[Redacted]

- BiFab are still in discussion with [Redacted] and remain optimistic they will be awarded fabrication work. [Redacted].

Covid-19

- Now that FEP contract is complete there will be [Redacted] come back for final review of the yards everything is in place.
- Local management have set up groups within teams to focus on how they can work on the yards whilst social distancing, ensuring they are compliant with guidance.

Scottish Government call with Enterprise Agencies – 20 May 2020

Present

Scottish Enterprise

[Redacted]

Highlands and Islands Enterprise

[Redacted]

Scottish Government

[Redacted]

[Redacted]

[Redacted]

SG provided the following updates;

- BiFab have [Redacted] following [Redacted].
- BiFab are in full receipt of First E&P project payments [Redacted].
- [Redacted] contract discussions are going well between BiFab and [Redacted] with contract signing likely to be [Redacted].
- [Redacted] news story over the weekend implied BiFab were getting no work but after discussions with local management they are still confident BiFab will receive work [Redacted].
- [Redacted] gave a short update on BiFab Board meeting from 29 April.

SE thanked SG for their updates and made the following points;

- SE are speaking to Martin Adam to look at what BiFab can do to get steps in place before the next contract begins, particularly with covid-19. Sharing other businesses best practice.
- BiFab still have [Redacted] training left in the financial year looking at maintaining standards – these will need to be virtual going forward. Conversation to take place between [Redacted] and BiFab to discuss next steps with training.

Scottish Government call with BiFab Local Management – 26 May 2020

Present

BiFab

Martin Adam

Scottish Government

[Redacted]

[Redacted]

Key Points:

[Redacted]

- [Redacted] phoned Martin late yesterday evening, stating that he was going to send through a full set of [Redacted] to BiFab today, asking BiFab to consider if it could make [Redacted]
- *SG note: this is a [Redacted] from [Redacted] to that set out in the [Redacted] to [Redacted]*
- As at the time of the call (1.30pm) [Redacted] had been provided by [Redacted]
- [Redacted] did not provide a turnaround time. Martin Adam thought BiFab would need [Redacted]
- No suggestion from [Redacted] it would be for [Redacted]
- MA said [Redacted] has previously acknowledged and accepted there would always be a [Redacted] when [Redacted] BiFab to [Redacted]
- MA said BiFab's [Redacted] as previously submitted to SSE [Redacted]
- This equated to [Redacted] – comparable with the [Redacted] it quoted on [Redacted], in MA's view, once inflation was accounted for (at which time, BiFab was [Redacted] than [Redacted])
- [Redacted]:
- (i) if the [Redacted] is procured from [Redacted]. The [Redacted], with the vast majority of [Redacted] procured from [Redacted], and rolled in [Redacted]. MA believes to do so would be [Redacted] for [Redacted] and [Redacted] for prior experience with [Redacted]
- (ii) if the [Redacted] (currently [Redacted]) – this would be for the business to decide if commercially acceptable to it
 - *SG note: an Andy/Jason call on this could be useful – will look to set up a general catch up, and possibly put this on the agenda [Redacted] to action please*
- If SSE [Redacted] its proposed award to BiFab [Redacted], MA believes a value of [Redacted] could be achieved.
- BiFab's assumption is that if it is successful, the award will be [Redacted]

Other

- Martin to speak to Matt re sharing paperwork on [Redacted] – has not been sent yet as the ask has first been made of JVD (no response to date)

- Weekly SG/BiFab catch up slots to be put in the diary (SG to arrange – [Redacted] to action please)
- Call with [Redacted] re [Redacted] just agreed for Thursday (with [Redacted] and Jason Fudge)

Ms Hyslop and Mr Wheelhouse call with SSE Renewables – 28 May 2020

Present

Scottish Government

Fiona Hyslop MSP, Cabinet Secretary for Economy, Fair Work & Culture

Paul Wheelhouse MSP, Minister for Energy, Connectivity and the Islands

Andrew Hogg

[Redacted]

Stewart Maxwell (Special Advisor)

SSE Renewables

Jim Smith, Managing Director

[Redacted], SSE Corporate Office

Key Discussion Points:

- Cabinet Secretary stressed the importance of delivering economic benefits to Scotland from the Seagreen project, essentially in these current times.
- Jim Smith (JS) commented on the [Redacted].
- JS referenced the [Redacted] of all [Redacted] following his meeting with [Redacted], in particular a thorough review of what [Redacted] could undertake. This highlighted that [Redacted] could be made to [Redacted] as this would limit risk but [Redacted] they were [Redacted] than the average [Redacted]. Saying [Redacted] expected [Redacted] for giving [Redacted] but due to the [Redacted].
- Cabinet Secretary reiterated the point that during these unprecedented times Scotland needs all to play their part in supporting each other by awarding contracts to indigenous companies.
- Minister highlighted that the [Redacted].
- JS responded by acknowledging that and highlighted [Redacted] and other [Redacted] projects will deliver economic benefits.
- Cabinet Secretary stated that she would need to reflect on this position prior to speaking in the Parliament on Tuesday in a debate about the green recovery.
- JS commented if [Redacted] but time was of the essence and a decision would need to be early next week. He also referenced he was due to speak to both Unite and GMB Scotland the following day about the project.

First Minister and Ms Hyslop call with SSE renewables – 1 June 2020

Present

Scottish Government

First Minister

Cabinet Secretary for Economy, Fair Work & Culture

Andrew Hogg

[Redacted]

SSE Renewables

Alistair Phillip-Davies (CEO, SSE PLC)

Jim Smith (Managing Director, SSE Renewables)

[Redacted] (SSE Corporate Office)

[Redacted] (SSE Corporate Office)

Key Discussion Points:

- First Minister acknowledged the efforts [Redacted] had undertaken since [Redacted] financially and the wider benefits it could bring to Scotland.
- First Minister expressed her profound concern about all 114 jackets being fabricated in China and as a result a missed opportunity for Scotland's supply chain. If the decision remains it will bring enormous media attention to SSE and it would be very difficult for the government not to make comment.
- She continued by stressing the importance of delivering economic benefits to Scotland from the Seagreen project, especially in these current challenging times, referencing SSE's Greenprint document last week which highlights this theme.
- [Redacted].
- APD highlighted that supporting local supply chain will become more challenging in the future if costs continue to fall, with investment required in infrastructure to make the companies more competitive. [Redacted].
- First Minister stated that officials had explored a number of options to assist but were [Redacted] from doing so. She acknowledged that [Redacted] and the way to do so was the [Redacted].
- APD admitted that he would reflect [Redacted] on conclusion of [Redacted], committing to speak again to the First Minister later in the week.

Actions

- **APD to contact First Minister following the conclusion of [Redacted].**

Scottish Government call with BiFab Local Management – 1 June 2020

Present

BiFab

Martin Adam

Scottish Government

[Redacted]

Cab Sec's request on any potential [Redacted]and [Redacted]for [Redacted];

- Officials spoke to Martin Adam, the Managing Director of BiFab, in the afternoon of 1 June to discuss the Cabinet Secretary's request that it consider what, if any, [Redacted].
- Martin Adam referenced his wish for [Redacted] to the [Redacted] in [Redacted] of the [Redacted], to increase the [Redacted] of the [Redacted]. Whilst this would reduce the amount of time workers were required to work outdoors (where the risk of bad weather impacting productivity exists), it would [Redacted] to SSE as [Redacted] would be minimal. This proposal was, we understand, discussed at high level with SE around a year ago but not progressed at the time, due to the business' concern as to [Redacted].
- Officials were also advised by the Managing Director in the afternoon of 1 June that the documents provided by [Redacted]late last week (which BiFab were asked to [review](#) and [Redacted] if there was scope for [Redacted]) have now gone through their first phase of review, and that these in fact [Redacted]. Some of [Redacted] – such as an increase of the [Redacted] in areas – the business is prepared to [Redacted].
- However, the drawings provided on 28 May from [Redacted]now require BiFab to provide [Redacted] within the [Redacted]. Martin Adam advises that the [Redacted], would need to be [Redacted].
- BiFab's local management team is discussing the [Redacted] to [Redacted] with DF Barnes tomorrow, and has requested [Redacted]be undertaken by the Canadians. Local management has a desire [Redacted], but state that DF Barnes is [Redacted] of [Redacted]. Martin Adam indicated that a call between BiFab and SG officials this week may help [Redacted]– but does acknowledge that any [Redacted] would not [Redacted] the [Redacted] between [Redacted]. The company does not expect to respond to [Redacted]until the end of this week – noting that [Redacted] did not set an earlier deadline for a response.
- BiFab's [Redacted] as quoted to [Redacted] assumes that [Redacted] can be obtained at [Redacted]. However, given JV Driver's [Redacted] – and [Redacted] – subject to the relevant approvals, it could be the case that

[Redacted] is asked to [Redacted]. To do so, the contract would need [Redacted] – and thus, even if BiFab was to [Redacted] it would need to be [Redacted].

Scottish Government call with Commercial Advisors – 1 June 2020

Grant Thornton (GT)

[Redacted]

[Redacted]

[Redacted]

Scottish Government

Andrew Hogg

[Redacted]

[Redacted]

[Redacted]

Immediate/Short Term Strategic Direction

- GT to speak to BiFab Local Management about [Redacted]the [Redacted]as it is [Redacted]and this is the right time to carry this out between contracts.
- BiFab need to be [Redacted].
- More analysis needed on the [Redacted] on a [Redacted] and to [Redacted]

Medium Term Strategic Direction

[Redacted]

- Internally we need to get the [Redacted].
- Negotiate with [Redacted] and [Redacted] what a [Redacted] would look like and take this to [Redacted] with GT advice. Need to be confident that we have the right advice to go on this.
- Start to look at what steps we need to take to [Redacted] [getting going when the time is right](#).
- Important that we engage appropriately with [Redacted].
- Is there any scope for investment in the yards in terms of new material etc for future fabrication work?
- Conversation with the SG procurement team on rules and regulations before [Redacted].

[Redacted]

- GT advice would need to be sought as to whether or not the [Redacted] whilst looking at [Redacted].
- After looking at [Redacted], should [Redacted] be made, from a SG prospective, as [Redacted] and what [Redacted].

Actions

- Main next steps is to; a) focus on [Redacted] and b) Start to look at [Redacted] and [Redacted] if [Redacted] (whilst taking into consideration other contracts such as [Redacted]).
- GT to discuss changing [Redacted] and [Redacted]on next BiFab local management call.

- GT to look at scope of work for strategic direction and revert back if it is still [Redacted].
- SG to expand on scope of work points circulated in the agenda looking at the type of things we need to know, how we can do that and by when.
- GT to email Andy with initial thoughts for First Minister note.
- Agree a date/time for next week's meeting which will focus on breaking down points into discrete actions.

Scottish Government call with BiFab Local Management – 2 June 2020

Present

BiFab

[Redacted]

[Redacted]

Grant Thornton

[Redacted]

[Redacted]

Scottish Government

[Redacted]

[Redacted]

Update from Local Management (LM): [Redacted]

- Ongoing discussions as they prepare for [Redacted]. [Redacted] Director and Martin Adam have a call tomorrow to discuss whether there is [Redacted]

[Redacted]

- MacRoberts received further correspondence from Brodies on [Redacted] which they are due to respond to before Friday. Local management working with [Redacted] on that response.
- [Redacted]. BiFab agreed to show [Redacted] their final [Redacted] by Friday.
- [Redacted] will see [Redacted] and BiFab's review of the [Redacted] and revert back.
- BiFab put the position to [Redacted] that they are [Redacted].

[Redacted]

- Ongoing weekly meetings/email exchanges with regards to pricing and contract terms and conditions. Hopeful after a conversation on Thursday they will be able to go to the board for approval.
- It was initially meant to be [Redacted] but this is likely to go back to [Redacted]. BiFab will check the effect this may have on [Redacted].
- [Redacted] discussed previously of [Redacted] is now likely to be [Redacted] and there still needs to be [Redacted]. Still unclear what this will look like but will send on the information for this once known.
- Intention is to be in [Redacted] with effective start date [Redacted].

[Redacted]

- On 27/05 BiFab received confirmation that [Redacted] would be sending out the enquiry but [Redacted].

- Working through the [Redacted] – initial comments are the [Redacted] and [Redacted] have now asked for [Redacted]. Final submission to [Redacted] at some point early next week.
- Conversations have just been focussed on [Redacted] and BiFab have not yet seen anything on [Redacted].
- BiFab Local Management and GT were then going to pick up on [Redacted] and [Redacted]. SG dialled off.