

What	[redacted]
Where	[redacted] [redacted]
When	[redacted]
Key Message(s)	[redacted]
Who	<u>Scottish Government</u> Cabinet Secretary for Finance and Economy (Chair) Minister for Business, Trade, Tourism and Enterprise (10:00 – 11:30) <u>UK Government</u> Iain Stewart MP, Minister for Scotland <u>UK Government (officials)</u> [redacted] [redacted]
Supporting official	<u>Strategic Business Engagement & Events Division</u> Joe Brown [redacted]

Briefing contents	[redacted]
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[redacted]	ANNEX A
[redacted]	ANNEX B
[redacted]	ANNEX C
[redacted]	ANNEX D
[redacted]	ANNEX E
[redacted]	ANNEX F
[redacted]	ANNEX G

UK Subsidy Control Regime

- To commit to certain proposed subsidy principles within the UK Bill being disapplied for the Scottish agricultural sector. Those devolved agricultural subsidies were exempt under EU state aid rules and are already regulated in the UK.

[redacted]	ANNEX H
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ECONOMIC RECOVERY AND TRANSFORMATION

[redacted]	ANNEX I
[redacted]	ANNEX J
[redacted]	ANNEX K
[redacted]	ANNEX L

MINISTERIAL ENGAGEMENT BRIEFING: KATE FORBES

Engagement title		Business and Industry Interministerial Group Meeting.
Engagement timings		Thursday 24 March 2022, 15:15-16:00
[redacted]		[redacted]
Background/Purpose (including invitation history)		A meeting between ministers from the Scottish, UK, Welsh and Northern Ireland governments to share information, identify common issues, and propose solutions. [redacted]
[redacted]		[redacted]
Meeting attendees		<ul style="list-style-type: none">• Lee Rowley MP, UK Minister for Business and Industry(Chair)• Vaughan Gething MS, Welsh Minister for Economy
[redacted]		[redacted]
[redacted]		

[redacted]

UK Subsidy Control Regime

- **[redacted]**
- To commit to certain proposed subsidy principles within the UK Bill being disapplied for the Scottish agricultural sector. Those devolved agricultural subsidies were exempt under EU state aid rules and are already regulated in the UK.

[redacted]

From: **[redacted]**

Sent: 24 March 2022 11:12

To: Cabinet Secretary for Finance and Economy

Cc: **[redacted]**; **[redacted]**; **[redacted]**; Gillespie G (Gary)

Subject: RE: Briefing - Business and Industry QUAD Meeting - 24 March 2022

Attachments: Business and Industry Interministerial Group - QUAD Meeting - Briefing - 24 March

2022.docx; **[redacted]**; **[redacted]**; **[redacted]**; **[redacted]**; **[redacted]**

Good Morning

Following on from my email yesterday I have attached a further updated briefing for the

Cabinet Secretary to attend the QUAD meeting this afternoon. This contains updated

Top lines following the Chancellors Spring Statement.

[redacted]

Regards

[redacted]

[redacted]

From: [redacted]
Transport Scotland, Ferries Unit
17 January 2021

Minister for Transport

FERRIES UNIT – DIRECT AWARD OPTION FOR FERRY SERVICES

Purpose

[redacted]

1. Priority

Background

[redacted]

2. TS interim report on Ferry Services Procurement Policy Review published in December 2017 outlined the legal, policy and financial implications that were considered when EU State Aid Rules applied.

[redacted]

Legislative framework

3. Before the UK Government decision to leave the European Union the EU Procurement law, including the 1992 Regulation, State aid rules and the Maritime Cabotage required Scottish Ministers to seek competitive tenders for ferry services.

[redacted]

[redacted]

Transport Scotland Ferries Unit

Mobile [redacted]

Copy List:	For Action	For Comments	For Information		
			Portfolio Interest	Constit Interest	General Awareness
Cabinet Secretary for Net Zero, Energy and Transport			X		
Cabinet Secretary for Rural Affairs and Islands			X		

TS Submissions List
DG Net Zero
TS Press Office
Hugh Gillies
Fran Pacitti
[redacted]

From: [redacted]
Sent: 10 May 2022 09:03
To: Rooney M (Maureen); Cabinet Secretary for Finance and Economy; Palmer DJ (David)
Cc: Aitken R (Reuben); DG Economy; [redacted]; [redacted]; Pearce H (Hilary)
Subject: RE: 1450-1600 Conservative Party Business: Net Zero, Energy and Transport - 11052022
Attachments: RE: For clearance: Media query - Fergusons state aid - Herald

[redacted]
[redacted]

From: Rooney M (Maureen) <Maureen.Rooney@gov.scot>
Sent: 10 May 2022 07:42
To: Cabinet Secretary for Finance and Economy <CabSecFE@gov.scot>; Palmer [redacted] @gov.scot>
Cc: Aitken R (Reuben) <Reuben.Aitken@gov.scot>; DG Economy <DGEconomy@gov.scot>; [redacted] @gov.scot>; [redacted] @gov.scot>; [redacted] @gov.scot>
Subject: RE: 1450-1600 Conservative Party Business: Net Zero, Energy and Transport – 11052022

[redacted]

Mo.

Mo Rooney (she/her)
Deputy Director, Strategic Commercial Interventions Division
Scottish Government
4th floor, Atlantic Quay
150 Broomielaw, Glasgow
[redacted]

I am working from home, contactable by email, on my mobile, and on Teams.

From: [redacted]
@gov.scot> On Behalf Of Cabinet Secretary for Finance and Economy

Sent: 09 May 2022 20:49
To: Rooney M (Maureen) <Maureen.Rooney@gov.scot>; [redacted] @gov.scot>
Cc: Aitken R (Reuben) <Reuben.Aitken@gov.scot>; DG Economy <DGEconomy@gov.scot>
Subject: FW: 1450-1600 Conservative Party Business: Net Zero, Energy and Transport - 11052022
[redacted]

[redacted]
Scottish Government | Riaghaltas na h-Alba | St Andrew's House | 4N.11 | Regent Road
| Edinburgh | EH1 3DG
[redacted]
Email /Post-d: CabSecFE@gov.scot

Please refer to Ms. Forbes Ministerial preferences which will be of assistance to you when preparing a speech, briefing, PQ, submission or correspondence.

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(Scotland) Act 2016. See www.lobbying.scot

From: [redacted] @transport.gov.scot>

Sent: 09 May 2022 20:00

To: Minister for Transport <MinisterFT@gov.scot>; Pacitti F (Frances)

<Frances.Pacitti@transport.gov.scot>; [redacted]

@transport.gov.scot>; [redacted]

@gov.scot>; [redacted]

@transport.gov.scot>;

Rooney M (Maureen) <Maureen.Rooney@gov.scot>; [redacted]

@gov.scot>

Cc: [redacted]

@gov.scot>; [redacted]

@gov.scot>; Cabinet Secretary for Net Zero, Energy and Transport

<CabSecNetZET@gov.scot>; Chief Executive Transport Scotland

<ceo@transport.gov.scot>; [redacted]

@transport.gov.scot>; [redacted]

@transport.gov.scot>;

[redacted]

@transport.gov.scot>; Cabinet Secretary for Finance and

Economy <CabSecFE@gov.scot>; [redacted]

@gov.scot>; [redacted]

@transport.gov.scot>; DG Net Zero <DGNetZero@gov.scot>

Subject: RE: 1450-1600 Conservative Party Business: Net Zero, Energy and Transport – 11052022

[redacted]

[redacted]

From: [redacted] @gov.scot> On Behalf Of Minister for Transport

Sent: 09 May 2022 19:52

To: Minister for Transport <MinisterFT@gov.scot>; Pacitti F (Frances)

<Frances.Pacitti@transport.gov.scot>; [redacted]

transport.gov.scot>; [redacted]

@transport.gov.scot>; [redacted]

@gov.scot>; [redacted]

@transport.gov.scot>; Rooney M (Maureen) <Maureen.Rooney@gov.scot>

Cc: [redacted]

@gov.scot>; [redacted]

@gov.scot>; Cabinet Secretary for Net Zero, Energy and Transport

<CabSecNetZET@gov.scot>; Chief Executive Transport Scotland
<ceo@transport.gov.scot>; [redacted]
@transport.gov.scot>; [redacted]
@transport.gov.scot>;
Cabinet Secretary for Finance and Economy <CabSecFE@gov.scot>
Subject: RE: 1450-1600 Conservative Party Business: Net Zero, Energy and
Transport – 11052022

[redacted]

[redacted]
The Scottish Government | St Andrew's House, Edinburgh, EH1 3DG |
[redacted]
| Email: MinisterFT@gov.scot
Ministerial Preferences - Jenny Gilruth - Minister for Transport

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attachments.

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the terms of the Lobbying
(Scotland) Act 2016. See www.lobbying.scot

From: [redacted]
@gov.scot> On Behalf Of Minister for Transport
Sent: 09 May 2022 19:45
To: Pacitti F (Frances) <Frances.Pacitti@transport.gov.scot>; [redacted]
@transport.gov.scot>; [redacted]
@transport.gov.scot>; [redacted] @gov.scot[redacted] @transport.gov.scot>
Cc: [redacted] @gov.scot>; [redacted] @gov.scot>; Minister for Transport
<MinisterFT@gov.scot>; Cabinet Secretary for Net
Zero, Energy and Transport <CabSecNetZET@gov.scot>; Chief Executive
Transport Scotland
<ceo@transport.gov.scot>; [redacted] @transport.gov.scot>; [redacted]
transport.gov.scot>
Subject: FW: 1450-1600 Conservative Party Business: Net Zero, Energy and
Transport - 11052022
Importance: High

[redacted]
[redacted]

[redacted]
The Scottish Government | St Andrew's House, Edinburgh, EH1 3DG |
[redacted] | Email: MinisterFT@gov.scot
Ministerial Preferences - Jenny Gilruth - Minister for Transport
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From: [redacted] @gov.scot> On Behalf Of Minister for Parliamentary Business
Sent: 09 May 2022 19:23

To: Minister for Parliamentary Business <MinisterPB@gov.scot>; Cabinet Secretary for Net Zero, Energy and Transport <CabSecNetZET@gov.scot>; Minister for Environment and Land Reform <MinisterELR@gov.scot>; Minister for Just Transition, Employment & Fair Work <MinisterJTEFW@gov.scot>; Minister for Transport <MinisterFT@gov.scot>; Minister for Green Skills, Circular Economy and Biodiversity <MinisterGSCEB@gov.scot>; Minister for Zero Carbon Buildings, Active Travel and Tenants' Rights <MinisterZCBATTR@gov.scot>; Cabinet Secretary for Finance and Economy <CabSecFE@gov.scot>

Cc: [redacted] @gov.scot>; [redacted] @gov.scot>; Spads Admin <Spads_Admin@gov.scot>; [redacted] @gov.scot> [redacted] @gov.scot>; [redacted] @gov.scot> [redacted] @gov.scot>

Subject: RE: 1450-1600 Conservative Party Business: Net Zero, Energy and Transport – 11052022

Hi all,

Adding Ms Forbes and [redacted]

Please find below, a copy of the motion for debate on Wednesday 11 May.

*S6M-04319 Graham Simpson: Ferry Procurement—That the Parliament believes that the way the Scottish Government has been running ferry services has been a scandal; calls on the Scottish Government to say why it awarded the contract for ferries

801 and 802 to Ferguson Marine Engineering Limited against the advice of its own experts; is concerned about why 15 stage payments were agreed for each ferry; notes

concerns that the deal may have broken EU state aid rules; further notes concerns that

the lack of documentary evidence to explain the contract award could be in breach of

the law; is disappointed that the Scottish Government failed to listen to the experienced

workforce who had concerns about the management of the yard; believes that the yard

could have survived without the orders for vessels 801 and 802; agrees with the view of

the majority of people in Scotland who think that the Scottish National Party administration has done a bad job of running ferries; is concerned that this will contribute to island depopulation, and calls on the Scottish Government to spell out how

it plans to run and procure ferry services in the future.
Please confirm after the meeting who will be speaking.

Thanks,
[redacted]

E: MinisterPB@gov.scot

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From: [redacted] @gov.scot> On Behalf Of Minister for Parliamentary Business

Sent: 05 May 2022 13:12

To: Minister for Parliamentary Business <MinisterPB@gov.scot>; Cabinet Secretary for Net Zero, Energy and Transport <CabSecNetZET@gov.scot>; Minister for Environment and Land Reform

<MinisterELR@gov.scot>; Minister for Just Transition, Employment & Fair Work

<MinisterJTEFW@gov.scot>; Minister for Transport <MinisterFT@gov.scot>;

Minister for Green Skills,

Circular Economy and Biodiversity <MinisterGSCEB@gov.scot>; Minister for Zero Carbon Buildings,

Active Travel and Tenants' Rights <MinisterZCBATTR@gov.scot>

Cc: [redacted] @gov.scot>; [redacted] @gov.scot>; Spads Admin

<Spads_Admin@gov.scot>; [redacted]@gov.scot>;[redacted]@gov.scot>;

[redacted] @gov.scot>

Subject: RE: 1450-1600 Conservative Party Business: Net Zero, Energy and Transport – 11052022

[redacted]

Thanks,
[redacted]

E: MinisterPB@gov.scot

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From: [redacted] @gov.scot> On Behalf Of Minister for Parliamentary Business
Sent: 05 May 2022 13:05
To: Cabinet Secretary for Net Zero, Energy and Transport
<CabSecNetZET@gov.scot>; Minister for
Environment and Land Reform <MinisterELR@gov.scot>; Minister for Just
Transition, Employment & Fair
Work <MinisterJTEFW@gov.scot>; Minister for Transport <MinisterFT@gov.scot>;
Minister for Green
Skills, Circular Economy and Biodiversity <MinisterGSCEB@gov.scot>
Cc: Minister for Parliamentary Business <MinisterPB@gov.scot>; [redacted]
@gov.scot [redacted] @gov.scot>; Spads
Admin <Spads_Admin@gov.scot [redacted] @gov.scot>
Subject: 1450-1600 Conservative Party Business: Net Zero, Energy and Transport
– 11052022

[redacted]
Thanks,
[redacted]

E: MinisterPB@gov.scot
The Scottish Government | St Andrew's House, Regent Road, EDINBURGH EH1
3DG
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request or comment made by a Minister, or a note of a Ministerial meeting, must be
filed appropriately by the primary recipient.
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attachments.

From: [redacted]
Sent: 03 May 2022 15:39
To: Cabinet Secretary for Finance and Economy; Rooney M (Maureen);
[redacted]; Pacitti
F (Frances); [redacted]; [redacted]; Director for Covid Business Resilience and
Support;
Aitken R (Reuben); [redacted]; Economy Covid-19 Hub; First Minister FMQs
Cc: [redacted]; Director of International Trade and Investment; [redacted];
[redacted]; [redacted]; [redacted]; [redacted]; DG Economy
Subject: RE: Additional FMQs for Media Bid today
Attachments: GFG Alliance.docx; SG industrial interventions incl GFG (002).docx;
Prestwick
Airport.docx

[redacted]

See attached latest GFG Alliance FMQ brief (up to date).

[redacted]

also attached is a
standalone Prestwick FMQ send on Friday, and last week's SG industrial
intervention FMQ brief

[redacted]

Hope this helps,

[redacted]

[redacted], Scottish Government | [redacted]

----- Find out more on Preparing First Minister's Questions (FMQs) -----

From: [redacted] @gov.scot> On Behalf Of Cabinet Secretary for Finance and
Economy
Sent: 03 May 2022 15:10
To: Rooney M (Maureen) [redacted] @gov.scot>; [redacted] @transport.gov.scot>;
[redacted] @transport.gov.scot>;
[redacted] @gov.scot>; [redacted] @gov.scot>; Director
for Covid Business Resilience and Support [redacted] @gov.scot>; Aitken R
(Reuben)
[redacted] @gov.scot [redacted] @gov.scot>; [redacted] @gov.scot>; Economy
Covid-19 Hub <BESTCovidHub@gov.scot>; First Minister FMQs
<FirstMinisterFMQs@gov.scot>
Cc: Cabinet Secretary for Finance and Economy <CabSecFE@gov.scot>;
[redacted] @gov.scot>; Director of International Trade and Investment
<DirectorDITI@gov.scot>;
[redacted] @gov.scot>; [redacted] @gov.scot>;
[redacted] @gov.scot>; [redacted] @gov.scot>; [redacted]@gov.scot>; DG
Economy
<DGEconomy@gov.scot>
Subject: Additional FMQs for Media Bid today
Importance: High

[redacted]

Thanks,

[redacted]

[redacted] The Scottish Government | St Andrew's House, Regent Road,
Edinburgh, EH1 3DG
[redacted] E: CabSecFE@gov.scot

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From: [redacted]

Sent: 14 April 2022 13:21

To: Cabinet Secretary for Finance and Economy; Minister for Business, Trade, Tourism & Enterprise

Cc: DG Economy; Director for Covid Business Resilience and Support; Director of Economic

Development; Director of International Trade and Investment; [redacted];

[redacted];

[redacted]; [redacted]; [redacted]; [redacted]; [redacted];

[redacted]; [redacted]; [redacted]; [redacted]; Brown J (Joe); [redacted];

[redacted]; [redacted]; Communications Finance & Economy

Subject: Briefing: Scottish Business Growth Group (SBGG) - Thursday 21 April

Attachments: SBGG - 2022 - 21 April - Ministerial Briefing.doc

PS/Cabinet Secretary for Finance and Economy

Minister for Business, Trade, Tourism and Enterprise

SCOTTISH BUSINESS GROWTH GROUP (SBGG) – THURSDAY 21 APRIL

Please find attached briefing for next week's meeting of the Scottish Business Growth Group.

As indicated in the briefing, the meeting will be held on a hybrid basis in St Andrews House and all participants, including Ministers, should participate using a laptop or similar device. The MS Teams link for the meeting is below:

[redacted]

Joe Brown and [redacted] will be at SAH for the meeting, but please let me know if you need anything further in the meantime.

Kind regards

[redacted]

[redacted] | Scottish Government | Strategic Business Engagement and Events Division | Covid

Business Resilience and Support Directorate | 3rd Floor | 5 Atlantic Quay | 150 Broomielaw | Glasgow G2

8LU

Tel: [redacted] | Mob: [redacted] | Email: [redacted]@gov.scot

Please note I work part-time Tues-Fri and am currently working from home

From: [redacted] on behalf of Minister for Business, Trade, Tourism & Enterprise
Sent: 09 February 2022 15:52
To: [redacted] (Comms); Minister for Business, Trade, Tourism & Enterprise
Cc: Cabinet Secretary for Finance and Economy; [redacted]; [redacted];
[redacted]; [redacted]; [redacted]; Pearce H (Hilary); [redacted]; [redacted];
[redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted];
[redacted]; [redacted]; [redacted];
[redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted];
Communications Finance & Economy; News Desk; [redacted]; [redacted];
[redacted]; [redacted]; [redacted]
Subject: RE: MEDIA QUERY FOR CLEARANCE - Subsidy Control Bill - FT

Hi [redacted],

Mr McKee is content.

Many thanks,

[redacted]
Deputy Private Secretary
Minister for Business, Trade, Tourism & Enterprise
The Scottish Government
Edinburgh
Email: MinisterBTTE@gov.scot

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From: [redacted]
@gov.scot>
Sent: 09 February 2022 14:54
To: Minister for Business, Trade, Tourism & Enterprise <MinisterBTTE@gov.scot>
Cc: Cabinet Secretary for Finance and Economy <CabSecFE@gov.scot>;
[redacted]@gov.scot>; [redacted]@gov.scot>; [redacted]@gov.scot>;
[redacted]
@gov.scot>; [redacted]@gov.scot>; Pearce H (Hilary)
<Hilary.Pearce@gov.scot[redacted]
@gov.scot>; [redacted] @gov.scot>; [redacted] @gov.scot>;
[redacted]@gov.scot>; [redacted]@gov.scot>; [redacted]@gov.scot>;
[redacted]
@gov.scot>; [redacted]@gov.scot>; [redacted]@gov.scot>;
[redacted]@gov.scot>; [redacted]@gov.scot>; [redacted]@gov.scot[redacted]

@gov.scot>; [redacted]@gov.scot>; [redacted]@gov.scot>;
[redacted]@gov.scot>; [redacted]@gov.scot>; Communications Finance &
Economy
<CommunicationsFinance&Economy@gov.scot>; News Desk
<Newsdesk@gov.scot>; [redacted]@gov.scot [redacted]@gov.scot>; [redacted]
@gov.scot>; [redacted]@gov.scot>; [redacted]
@gov.scot>
Subject: MEDIA QUERY FOR CLEARANCE - Subsidy Control Bill - FT

Minister, PO,

Below for clearance are draft lines in response to a series of queries from the FT
(appended) about the UKG's Subsidy Control Bill.

Spads and policy officials have reviewed.

Grateful for an indication of whether the Minister is content.

Thanks,
[redacted]

[redacted]

Background

The Bill applies to agricultural subsidies, which are devolved. Those subsidies
were
exempt from the EU state aid rules being replaced by this Bill and are already
regulated
in the UK under the WTO agreement on agriculture. [redacted]

Media query

[redacted]
- SG has in the past suggested that its ability to support strategic companies and
sectors has been
limited by EU state aid rules. Would the new UK approach give more freedom of
action, and if so why is
this not being welcomed?
best wishes,

[redacted]
Financial Times Scotland Correspondent

[redacted]
Senior Media Manager
Scottish Government | St Andrew's House | Regent Road | Edinburgh | EH1 3DG|
[redacted]

From: [redacted]
Sent: 29 March 2022 19:36
To: [redacted] Minister for Transport; Pacitti F (Frances); [redacted] Cc: Cabinet Secretary for Net Zero, Energy and Transport; Chief Executive Transport Scotland; Press
Transport Scotland; [redacted]; [redacted]; [redacted]; [redacted]; [redacted];
[redacted]; Subject: RE: Members Business Debate: Keeping CalMac Public and Publicly-owned Ferry Services
Attachments: CHFS3 - Ministerial - Direct Award briefing - FINAL- 17 January 2022.docx

[redacted]

Please find attached Ministerial submission which was previously sent to Minister on 31st

[redacted]

Regards

[redacted]

From: [redacted] @transport.gov.scot>
Sent: 29 March 2022 18:21
To: Minister for Transport <MinisterFT@gov.scot>; Pacitti F (Frances) [redacted] @transport.gov.scot>; [redacted] @transport.gov.scot>; [redacted] @transport.gov.scot>
Cc: Cabinet Secretary for Net Zero, Energy and Transport <CabSecNetZET@gov.scot>; Chief Executive Transport Scotland <ceo@transport.gov.scot>; Press Transport Scotland <media@transport.gov.scot>; [redacted] @transport.gov.scot>; [redacted] @gov.scot>; [redacted] @gov.scot>; [redacted] @transport.gov.scot>; [redacted] @transport.gov.scot>; [redacted] @gov.scot>; [redacted] @transport.gov.scot>
Subject: RE: Members Business Debate: Keeping CalMac Public and Publicly-owned Ferry Services

[redacted]

[redacted]

[redacted]

[redacted]

From: [redacted] @gov.scot> On Behalf Of Minister for Transport
Sent: 29 March 2022 18:11

To: Pacitti F (Frances) [redacted]@transport.gov.scot>; [redacted]
@transport.gov.scot>; [redacted]@transport.gov.scot>; [redacted]
@transport.gov.scot>
Cc: Cabinet Secretary for Net Zero, Energy and Transport
<CabSecNetZET@gov.scot>; Chief Executive
Transport Scotland <ceo@transport.gov.scot>; Press Transport Scotland
<media@transport.gov.scot>;
[redacted] @transport.gov.scot>; Minister for Transport
<MinisterFT@gov.scot>; [redacted] @gov.scot>; [redacted] @gov.scot>
Subject: FW: Members Business Debate: Keeping CalMac Public and Publicly-
owned Ferry Services

[redacted]

Many thanks
[redacted]

[redacted]
The Scottish Government | St Andrew's House, Edinburgh, EH1 3DG |
[redacted]| Email: MinisterFT@gov.scot

Ministerial Preferences - Jenny Gilruth - Minister for Transport

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From: [redacted] @gov.scot> On Behalf Of Minister for Parliamentary
Business
Sent: 29 March 2022 09:56
To: Minister for Transport <MinisterFT@gov.scot>; Cabinet Secretary for Net Zero,
Energy and Transport
<CabSecNetZET@gov.scot>
Cc: [redacted] @gov.scot>; [redacted] @gov.scot>; Spads
Admin <Spads_Admin@gov.scot>; Minister for Parliamentary Business
<MinisterPB@gov.scot>
Subject: Members Business Debate: Keeping CalMac Public and Publicly-owned
Ferry Services

[redacted]

[redacted]
[redacted]
E: MinisterPB@gov.scot

The Scottish Government | St Andrew's House, Regent Road, EDINBURGH EH1 3DG

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From: **[redacted]**@gov.scot> On Behalf Of Cabinet Secretary for Finance and Economy
Sent: 09 February 2022 14:17
To: **[redacted]**@gov.scot>; Cabinet Secretary for Finance and Economy <CabSecFE@gov.scot>; Minister for Public Finance, Planning & Community Wealth <MinisterPFPCW@gov.scot>; Cabinet Secretary for Net Zero, Energy and Transport <CabSecNetZET@gov.scot>
Cc: **[redacted]**@gov.scot>; **[redacted]**@gov.scot>; **[redacted]**@gov.scot>; **[redacted]**@gov.scot>; **[redacted]**@gov.scot>; **[redacted]**@gov.scot>
Subject: RE: NDR - Hydro Relief - Subsidy Control

[redacted],

Many thanks for the below. **[redacted]**.

Kind regards,
[redacted]

[redacted]
Deputy Private Secretary to Cabinet Secretary for Finance and Economy – Kate Forbes
The Scottish Government | St Andrew's House, Regent Road, Edinburgh, EH1 3DG
T: **[redacted]** E: CabSecFE@gov.scot

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From: **[redacted]**@gov.scot>
Sent: 09 February 2022 12:31
To: Cabinet Secretary for Finance and Economy <CabSecFE@gov.scot>; Minister for Public Finance, Planning & Community Wealth <MinisterPFPCW@gov.scot>; Cabinet Secretary for Net Zero, Energy and Transport <CabSecNetZET@gov.scot>
Cc: **[redacted]**@gov.scot>; **[redacted]**@gov.scot>; **[redacted]**@gov.scot>; **[redacted]**@gov.scot>
Subject: RE: NDR - Hydro Relief - Subsidy Control

[redacted],

[redacted]

Regards,

[redacted]

[redacted]

Non-Domestic Rates Policy
Local Government & Analytical Services Division
3-G (N)
Victoria Quay
Leith
EH6 6QQ

Tel. **[redacted]**

Mobile. **[redacted]**

From: **[redacted]**@gov.scot> On Behalf Of Cabinet Secretary for Finance and Economy

Sent: 09 February 2022 11:59

To: **[redacted]**@gov.scot>; Cabinet Secretary for Finance and Economy
<CabSecFE@gov.scot>; Minister for Public Finance, Planning & Community Wealth

<MinisterPFPCW@gov.scot>; Cabinet Secretary for Net Zero, Energy and Transport

<CabSecNetZET@gov.scot>

Cc: **[redacted]**@gov.scot>; **[redacted]**@gov.scot>; **[redacted]**@gov.scot>

Subject: RE: NDR - Hydro Relief - Subsidy Control

Hi **[redacted]**,

[redacted]

Thanks,

[redacted]

[redacted]

Deputy Private Secretary to Cabinet Secretary for Finance and Economy – Kate Forbes

The Scottish Government | St Andrew's House, Regent Road, Edinburgh, EH1 3DG

T: **[redacted]** M: **[redacted]** E: CabSecFE@gov.scot

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From: **[redacted]**@gov.scot>

Sent: 09 February 2022 10:41

To: Cabinet Secretary for Finance and Economy <CabSecFE@gov.scot>; Minister for Public Finance,
Planning & Community Wealth <MinisterPFPCW@gov.scot>; Cabinet Secretary for Net Zero, Energy and
Transport <CabSecNetZET@gov.scot>
Cc: [redacted]@gov.scot>; [redacted]@gov.scot>; [redacted]@gov.scot>
Subject: NDR - Hydro Relief - Subsidy Control

PO,

[redacted] an article published in the Sunday Times [redacted]: “A previous Holyrood scheme that allowed those firms to receive a reduction in business rates — meaning they paid a similar amount to small wind and solar businesses — was scrapped after the Scottish government deemed it contravened EU state aid rules. Under Westminster’s post-Brexit Subsidy Control Bill, which replaces EU rules on subsidies and is now going through parliament, small hydro firms believe rates relief can be reintroduced.”

[redacted]- 60% hydro relief was, prior to Brexit, capped by EU state aid rules namely 200 EUR (£170k as at today) over three fiscal years. [redacted] From 1 April 2021, the Non-Domestic Rates (Restriction of Relief) (Scotland) Regulations 2021 provided that the NDR reliefs that would have been previously capped by state aid rules, including relief for renewables, were instead to be capped under the Trade and Cooperation Agreement minimum financial assistance level of 325,000 Special Drawing Rights (£340k as at today) over three fiscal years.

[redacted]

[redacted].

[redacted]

[redacted]

Regards,

[redacted]

[redacted]

Non-Domestic Rates Policy
Local Government & Analytical Services Division
3-G (N)
Victoria Quay
Leith
EH6 6QQ

Tel. [redacted]
Mobile. [redacted]

[redacted]

From: **[redacted]**@gov.scot>
Sent: 10 March 2022 13:30
To: Minister for Public Finance, Planning & Community Wealth
<MinisterPFPCW@gov.scot>; Cabinet
Secretary for Finance and Economy <CabSecFE@gov.scot>
Cc: DG Communities <DGCommunities@gov.scot>; Director for Local Government
& Communities
<DirectorforLocalGovernment&Communities@gov.scot>; **[redacted]**@gov.scot>;
[redacted]@gov.scot>; **[redacted]**@gov.scot>;
[redacted]@gov.scot**[redacted]**@gov.scot>;
[redacted]@gov.scot**[redacted]**@gov.scot>; **[redacted]**@gov.scot>
Subject: NDR - Submission - RHL Relief and Subsidy Control Considerations - 10
March 2022

PO,

Please find attached a submission in relation to the subsidy control treatment for
Retail,
Hospitality and Leisure Relief in 2022-23, for the Cabinet Secretary and Minister to
consider.

Many thanks,

[redacted]

[redacted]
Non-Domestic Rates Team
Scottish Government

From: [redacted]
Sent: 04 February 2022 19:02
To: Cabinet Secretary for Finance and Economy; [redacted]
Cc: [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted];
[redacted]; [redacted];
Communications Finance & Economy; [redacted]; [redacted]; [redacted];
[redacted]
Subject: RE: FOR CLEARANCE: Media query - Business rates relief

Thanks [redacted]. Issuing now.

From: [redacted]@gov.scot> On Behalf Of Cabinet Secretary for Finance and Economy
Sent: 04 February 2022 19:01
To: [redacted]@gov.scot>
Cc: [redacted]@gov.scot>; [redacted]@gov.scot>; [redacted]@gov.scot>;
[redacted]@gov.scot>; [redacted]@gov.scot>; [redacted]@gov.scot>;
[redacted]@gov.scot>; [redacted]@gov.scot>; Communications Finance & Economy
<CommunicationsFinance&Economy@gov.scot>; [redacted]@gov.scot>;
[redacted]@gov.scot>; [redacted]@gov.scot>; [redacted]@gov.scot>;
[redacted]@gov.scot>; Cabinet Secretary for Finance and Economy
<CabSecFE@gov.scot>
Subject: RE: FOR CLEARANCE: Media query - Business rates relief

[redacted],

Cab Sec has noted and is content to clear.

Many thanks,
[redacted]

[redacted]
Private Secretary to Cabinet Secretary for Finance and the Economy – Kate Forbes

Scottish Government | Riaghaltas na h-Alba | St Andrew's House | 4N.11 | Regent Road
| Edinburgh | EH1 3DG
Tel/Fòn [redacted] | Ext/Leudachan: [redacted] | Mobile/Fòn-laimhe [redacted]
Email /Post-d: CabSecFE@gov.scot

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“We went as far as we could by delivering a Hydro relief that is compliant with the interim subsidy regime which was established by the EU-UK Trade and Cooperation Agreement, and not the Scottish Government.”

Background

The 60% hydro relief has been estimated by the British Hydro Association to benefit 95% of hydro operators.

The BHA has previously written to Ms Lesley Griffiths, the then Welsh Government Minister for Environment, Energy and Rural affairs, calling on her to "follow the lead" set by Scotland, which extended a 60% business rate relief scheme until 2032.

[redacted]

Media Manager| News: Finance and the Economy
The Scottish Government, St Andrew's House, Edinburgh
m: **[redacted]**
From: **[redacted]**@sunday-times.co.uk>
Sent: 04 February 2022 11:35
To: **[redacted]**@gov.scot>
Subject:

Thanks for taking my call **[redacted]**. As mentioned, small Scottish hydro firms have criticised the Scottish government over its decision to continue to define business rates relief for their businesses as a subsidy under Westminster's post Brexit Subsidy Control Bill.

They claim business rates for small hydro firms valuations are between 2.5 and four times higher than equivalent sized renewables firms harvesting sunshine and wind in Scotland.

Since rates relief for small hydro firms was abandoned by the Scottish government for contravening EU state aid rules, many have been forced to make substantial job cuts in areas that are already economic blackspots.

Westminster has said the bill allows the Scottish government to determine what is deemed a subsidy.

Is it possible to get a comment?
My deadline is 19:00 today (Friday).
Best
[redacted]

[redacted]

Scottish Business Correspondent
THE SUNDAY TIMES
Tel: **[redacted]**
Twitter: **[redacted]**

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From: Rooney M (Maureen) <[Redacted] @gov.scot>
Sent: Wednesday, 25 August 2021 10:18
To: [Redacted] @gov.scot>; Tim Hair <[Redacted]@fergusonmarine.com>;
Cc: [Redacted] @gov.scot> ed]
[Redacted] @gov.scot>; [Redacted] @gov.scot>;
@gov.scot>; [Redacted] @gov.scot>; [Redacted] @gov.scot>; [Redacted] @gov.scot>
Subject: RE: Cab Sec visit to Fergusons - Tue 25 Aug

With thanks to her for stepping in at short notice, [Redacted] will provide onsite official support to Cab Sec at her visit to yard today.
Mo.

Mo Rooney (she/her)
Deputy Director, Strategic Industrial Assets Division
Scottish Government
4th floor, Atlantic Quay
150 Broomielaw, Glasgow
[Redacted] / [Redacted]

I am working from home, contactable by email, on my mobile, and on Teams.

From: Rooney M (Maureen)
Sent: 24 August 2021 20:37
To: [Redacted] @gov.scot>; Tim Hair <[Redacted]@fergusonmarine.com>;
Cc: [Redacted] @gov.scot> ed]
[Redacted] @gov.scot>; [Redacted] @gov.scot>;
@gov.scot>; [Redacted] @gov.scot>; [Redacted] @gov.scot>; [Redacted] @gov.scot>
Subject: Cab Sec visit to Fergusons - Tue 25 Aug

Tim, [Redacted], [Redacted],
[Redacted]
[Redacted]

[Redacted], given the short notice, on basis that you are most local to the yard (and it would be incredibly nice for you to be able to visit before you leave us next week), would you be able to attend as my substitute? There are a size pair of
R

boots and an appropriately sized boiler suit in readiness if you want to make use of them for yard tour.

I will make Private Office aware of the change in support in the morning, once we've confirmed who that will be.

Apologies for kerfuffle.

Mo.

Mo Rooney (she/her)

Deputy Director, Strategic Industrial Assets Division

Scottish Government

4th floor, Atlantic Quay

150 Broomielaw, Glasgow

[Redacted] / [Redacted]

I am working from home, contactable by email, on my mobile, and on Teams.

From: [Redacted] <[\[Redacted\]@gov.scot](mailto:[Redacted]@gov.scot)>
Sent: Wednesday, 25 August 2021 17:26
To: Rooney M (Maureen) <[\[Redacted\]@gov.scot](mailto:[Redacted]@gov.scot)>; [Redacted] <[\[Redacted\]@gov.scot](mailto:[Redacted]@gov.scot)>
Cc: [Redacted] <[\[Redacted\]@gov.scot](mailto:[Redacted]@gov.scot)>; [Redacted] <[\[Redacted\]@gov.scot](mailto:[Redacted]@gov.scot)>
Subject: Cab Sec visit

Hello,

Just a quick update. The visit went well as did the GT interview. Things ran on until just after 4. I offered to take a note of the meetings with staff but Cab Sec was keen to keep them private. [Redacted], her PS took a note instead and will share with us. [Redacted] gave me the gist of the meetings which was that the staff members were very negative about the situation at the yard, particularly in relation to the management team. The figure of 60 managers was quoted again, which came up at the previous meeting with Cab Sec, and Tim confirmed that there is nothing like that many managers. I had a quick word with Cab Sec at the end around follow up in relation to the staff meetings, she said that they will share the note of the meetings and that there is quite a lot of follow up to be done on the back of these.

[Redacted] advised that she wants to go back to the yard soon.

[Redacted]

[Redacted] | Governance | Strategic Industrial Assets Division | Scottish Government
5 Atlantic Quay | 150 Broomielaw | Glasgow | G2 8LU
Mobile: [Redacted] | [Redacted] | [\[Redacted\]@gov.scot](mailto:[Redacted]@gov.scot)

From: [Redacted] <[\[Redacted\]@gov.scot](mailto:[Redacted]@gov.scot)> **On Behalf Of** Cabinet Secretary for Finance and Economy
Sent: Thursday, 26 August 2021 11:42
To: [Redacted] <[\[Redacted\]@gov.scot](mailto:[Redacted]@gov.scot)>; Cabinet Secretary for Finance and Economy <[\[Redacted\]@gov.scot](mailto:[Redacted]@gov.scot)>; Rooney M (Maureen) <[\[Redacted\]@gov.scot](mailto:[Redacted]@gov.scot)>; [Redacted] <[\[Redacted\]@gov.scot](mailto:[Redacted]@gov.scot)>
Cc: [Redacted] <[\[Redacted\]@gov.scot](mailto:[Redacted]@gov.scot)>
Subject: RE: Ferguson Marine Yard Visit - 25 August 2021

You will go down in PO history. Clearly you should be a PS – I mean spare socks for Cab Sec is the stuff of legend 😊

[Redacted]

Private Secretary to Cabinet Secretary for Finance and the Economy – Kate Forbes

Scottish Government | Riaghaltas na h-Alba | 4N.11 | St Andrew's House | Regent Road | Edinburgh | EH1 3DG

Tel/Fòn: [Redacted] | Ext/Leudachan: [Redacted] | Mobile/Fòn-laimhe: [Redacted]

Email /Post-d: [Redacted] [@gov.scot](mailto:[Redacted]@gov.scot)



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From: [Redacted] [@gov.scot](mailto:[Redacted]@gov.scot)>

Sent: 26 August 2021 11:14

To: Cabinet Secretary for Finance and Economy <[\[Redacted\]@gov.scot](mailto:[Redacted]@gov.scot)>; Rooney M (Maureen)

<[\[Redacted\]@gov.scot](mailto:[Redacted]@gov.scot)>; [Redacted] [@gov.scot](mailto:[Redacted]@gov.scot)>

Cc: [Redacted] [@gov.scot](mailto:[Redacted]@gov.scot)>

Subject: RE: Ferguson Marine Yard Visit - 25 August 2021

Thank you ^[Redacted], very kind. It was lovely to meet you and I am sure that we will meet again at some point. ^[Redacted]

Glad that I was able to provide the all- important socks!

Best wishes,

[Redacted]
]

[Redacted] | Governance | Strategic Industrial Assets Division | Scottish Government
5 Atlantic Quay | 150 Broomielaw | Glasgow | G2 8LU
Mobile: [Redacted] | [Redacted] | [@gov.scot](mailto:[Redacted]@gov.scot)

From: [Redacted] [@gov.scot](mailto:[Redacted]@gov.scot) > **On Behalf Of** Cabinet Secretary for Finance and Economy
Sent: 25 August 2021 23:40
To: [Redacted] [@gov.scot](mailto:[Redacted]@gov.scot); Cabinet Secretary for Finance and Economy
<[Redacted] [@gov.scot](mailto:[Redacted]@gov.scot)>; Rooney M (Maureen) <[Redacted] [@gov.scot](mailto:[Redacted]@gov.scot)>; [Redacted]
[Redacted] [@gov.scot](mailto:[Redacted]@gov.scot)> cted]
Cc: [Redacted] [@gov.scot](mailto:[Redacted]@gov.scot)>
Subject: RE: Ferguson Marine Yard Visit - 25 August 2021

[Redacted]

Apologies for the late hour. Before tomorrow's work piles in, I just wanted to thank you. It was a pleasure working with you today and I know the Cabinet Secretary very much appreciated your support on site.

Wishing you every success and happiness as you move to your new role.

All best,
[Redacted]
[Redacted]

[Redacted]

Private Secretary to Cabinet Secretary for Finance and the Economy – Kate Forbes

Scottish Government | Riaghaltas na h-Alba | 4N.11 | St Andrew's House | Regent Road | Edinburgh | EH1 3DG

Tel/Fòn: [Redacted] | Ext/Leudachan: [Redacted] | Mobile/Fòn-laimhe: [Redacted]
ted] ted]

Email /Post-d: [Redacted] [@gov.scot](mailto:[Redacted]@gov.scot)



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From: [Redacted] <[\[Redacted\]@gov.scot](mailto:[Redacted]@gov.scot)>
Sent: 25 August 2021 12:49
To: Cabinet Secretary for Finance and Economy <[\[Redacted\]@gov.scot](mailto:[Redacted]@gov.scot)>; Rooney M (Maureen)
<[\[Redacted\]@gov.scot](mailto:[Redacted]@gov.scot)>; [Redacted] <[\[Redacted\]@gov.scot](mailto:[Redacted]@gov.scot)>
Cc: [Redacted] <[\[Redacted\]@gov.scot](mailto:[Redacted]@gov.scot)>
Subject: RE: Ferguson Marine Yard Visit - 25 August 2021

Hi [Redacted],

My number is as below [Redacted].

[Redacted]

1. [Redacted] | Governance | Strategic Industrial Assets Division | Scottish Government
5 Atlantic Quay | 150 Broomielaw | Glasgow | G2 8LU
Mobile: [Redacted] | [Redacted] <[\[Redacted\]@gov.scot](mailto:[Redacted]@gov.scot)>

From: [Redacted] <[\[Redacted\]@gov.scot](mailto:[Redacted]@gov.scot)> **On Behalf Of** Cabinet Secretary for Finance and Economy
Sent: 25 August 2021 11:01
To: Rooney M (Maureen) <[\[Redacted\]@gov.scot](mailto:[Redacted]@gov.scot)>; [Redacted] <[\[Redacted\]@gov.scot](mailto:[Redacted]@gov.scot)>; Cabinet Secretary for Finance and Economy <[\[Redacted\]@gov.scot](mailto:[Redacted]@gov.scot)>
Cc: [Redacted] <[\[Redacted\]@gov.scot](mailto:[Redacted]@gov.scot)>; [Redacted] <[\[Redacted\]@gov.scot](mailto:[Redacted]@gov.scot)>
Subject: RE: Ferguson Marine Yard Visit - 25 August 2021

Hi Mo,

Thanks for the heads up – I have let [Redacted] know.
[Redacted]

Kind regards,

[Redacted]
acte

[Redacted] (she/her)

Deputy Private Secretary to Cabinet Secretary for Finance and Economy – Kate Forbes
The Scottish Government | St Andrew's House, Regent Road, Edinburgh, EH1 3DG

T: [Redacted] | M: [Redacted] | E: [Redacted] [@gov.scot](mailto:[Redacted]@gov.scot)

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From: Rooney M (Maureen) <[Redacted] [@gov.scot](mailto:[Redacted]@gov.scot)>
Sent: 25 August 2021 10:21
To: [Redacted] [@gov.scot](mailto:[Redacted]@gov.scot); Cabinet Secretary for Finance and Economy <[Redacted] [@gov.scot](mailto:[Redacted]@gov.scot)>
Cc: 1 [Redacted] [@gov.scot](mailto:[Redacted]@gov.scot); [Redacted] [@gov.scot](mailto:[Redacted]@gov.scot)>
Subject: RE: Ferguson Marine Yard Visit - 25 August 2021

PS/CabSec FE

As a result of my unexpected need to self-isolate, [Redacted] will provide official support to Cab Sec on her visit to Fergusons this afternoon.

[Redacted], can you ensure [Redacted] (who I understand is attending with Cab Sec) has your mobile number please?

Mo.

Mo Rooney (she/her)
Deputy Director, Strategic Industrial Assets Division
Scottish Government
4th floor, Atlantic Quay
150 Broomielaw, Glasgow
[Redacted] / [Redacted]

I am working from home, contactable by email, on my mobile, and on Teams.

From: [Redacted] <[\[Redacted\]@gov.scot](mailto:[Redacted]@gov.scot)>
Sent: 24 August 2021 15:13
To: Cabinet Secretary for Finance and Economy <[\[Redacted\]@gov.scot](mailto:[Redacted]@gov.scot)>
Cc: [Redacted] <[\[Redacted\]@gov.scot](mailto:[Redacted]@gov.scot)>; [Redacted] <[\[Redacted\]@gov.scot](mailto:[Redacted]@gov.scot)>;
Rooney M (Maureen) <[\[Redacted\]@gov.scot](mailto:[Redacted]@gov.scot)>
Subject: RE: Ferguson Marine Yard Visit - 25 August 2021

Hi [Redacted],

I've spoken with the yard and they are able to make this work. The sessions with workers will now be 30 minutes each.

I attach an updated version of the briefing containing the new agenda and biographies on a couple of the senior workers Ms Forbes will meet.

I understand Comms will be in touch with more information on the Greenock Telegraph interview in due course.

Thanks

[Redacted]
acte

From: [Redacted] <[\[Redacted\]@gov.scot](mailto:[Redacted]@gov.scot)> **On Behalf Of** Cabinet Secretary for Finance and Economy
Sent: Tuesday, 24 August 2021 12:15
To: [Redacted] <[\[Redacted\]@gov.scot](mailto:[Redacted]@gov.scot)>
Cc: [Redacted] <[\[Redacted\]@gov.scot](mailto:[Redacted]@gov.scot)>; [Redacted] <[\[Redacted\]@gov.scot](mailto:[Redacted]@gov.scot)>;
Rooney M (Maureen) <[\[Redacted\]@gov.scot](mailto:[Redacted]@gov.scot)>; Cabinet Secretary for Finance and Economy <[\[Redacted\]@gov.scot](mailto:[Redacted]@gov.scot)>
Subject: RE: Ferguson Marine Yard Visit - 25 August 2021¹

Hi [Redacted],

I am following up on the briefing with a note from Ms Forbes on whether we can extend the slots with employees and union reps to at least 30 minutes each?

Grateful if you can follow up on the agenda being amended to accommodate this change.

Many thanks,

[Redacted] (he/him)

Diary Secretary to Cabinet Secretary for Finance and Economy – Kate Forbes

E: CabSecFE@gov.scot



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From: [Redacted] <[\[Redacted\]@gov.scot](mailto:[Redacted]@gov.scot)>
Sent: 19 August 2021 15:58
To: Cabinet Secretary for Finance and Economy <[\[Redacted\]@gov.scot](mailto:[Redacted]@gov.scot)>
Cc: [Redacted] <[\[Redacted\]@gov.scot](mailto:[Redacted]@gov.scot)>; [Redacted] <[\[Redacted\]@gov.scot](mailto:[Redacted]@gov.scot)>;
Rooney M (Maureen) <[\[Redacted\]@gov.scot](mailto:[Redacted]@gov.scot)>
Subject: RE: Ferguson Marine Yard Visit - 25 August 2021

Hi [Redacted],

Please find attached the briefing pack for the visit next week. I'd like to highlight that the pack is subject to change depending on whether Mr McMillan and Mr Cowan are attending. Please let me know when a decision has been made on this.

Thanks

[Redacted]
acte

From: [Redacted]
Sent: Thursday, 19 August 2021 11:17
To: Cabinet Secretary for Finance and Economy <[\[Redacted\]@gov.scot](mailto:[Redacted]@gov.scot)>
Cc: [Redacted] <[\[Redacted\]@gov.scot](mailto:[Redacted]@gov.scot)>; [Redacted] <[\[Redacted\]@gov.scot](mailto:[Redacted]@gov.scot)>;
Rooney M (Maureen) <[\[Redacted\]@gov.scot](mailto:[Redacted]@gov.scot)>
Subject: RE: Ferguson Marine Yard Visit - 25 August 2021

Hi [Redacted],

Thank you for sharing the car arrangements below, I will let the yard know.

The briefing should be up by 4pm today.

In relation to Mr Cowan and Mr McMillan joining next week's visit. I've had an initial response from Tim Hair and he isn't in favour of having Mr Cowan and Mr McMillan join the visit. The idea of having Cab Sec, Mr Cowan and Mr McMillan in a small meeting room with union reps etc is unattractive and policy officials agree with this.

The yard have a milestone event taking place in the next month or so (bow lift onto one of the vessels) which may make more sense for Mr Cowan and Mr McMillan to attend as it will take place outdoors at the yard with no social distancing.

If Mr Cowan and Mr McMillan are being added to the visit next week, Tim would suggest changing the schedule to a straightforward yard tour without the group sessions. Dropping the group sessions will significantly reduce the value of the visit.

Happy to discuss.

Thanks

[Redacted]
acted

From: [Redacted] <[\[Redacted\]@gov.scot](mailto:[Redacted]@gov.scot)> **On Behalf Of** Cabinet Secretary for Finance and Economy
Sent: Thursday, 19 August 2021 10:41
To: [Redacted] <[\[Redacted\]@gov.scot](mailto:[Redacted]@gov.scot)>
Cc: [Redacted] <[\[Redacted\]@gov.scot](mailto:[Redacted]@gov.scot)>; [Redacted] <[\[Redacted\]@gov.scot](mailto:[Redacted]@gov.scot)>;
Rooney M (Maureen) <[\[Redacted\]@gov.scot](mailto:[Redacted]@gov.scot)>; Cabinet Secretary for Finance and Economy
<[\[Redacted\]@gov.scot](mailto:[Redacted]@gov.scot)>
Subject: RE: Ferguson Marine Yard Visit - 25 August 2021¹

Good morning [Redacted],
acted]

I am following up on the briefing request for this visit next week. Grateful if you can let us know when this will be sent through?

Also, GCS have confirmed a driver will drop Ms Forbes off at the yard and another driver will collect Ms Forbes at 15:30.

Thanks,

[Redacted] (he/him)

E: [Redacted] [@gov.scot](mailto:[Redacted]@gov.scot)

<< OLE Object: Picture (Device Independent Bitmap) >>

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From: [Redacted] [@gov.scot](mailto:[Redacted]@gov.scot) **On Behalf Of** Cabinet Secretary for Finance and Economy
Sent: 18 August 2021 17:33
To: [Redacted] [@gov.scot](mailto:[Redacted]@gov.scot); Cabinet Secretary for Finance and Economy <[\[Redacted\]@gov.scot](mailto:[Redacted]@gov.scot)>
Cc: 1 [Redacted] [@gov.scot](mailto:[Redacted]@gov.scot); [Redacted] [@gov.scot](mailto:[Redacted]@gov.scot); Rooney M (Maureen) <[\[Redacted\]@gov.scot](mailto:[Redacted]@gov.scot)>
Subject: RE: Ferguson Marine Yard Visit - 25 August 2021

[Redacted],
[Redacted]

Many thanks for the overview of the visit next week.

- PPE sizes for all individuals attending from your office. Safety shoes and a boiler suit must be worn on site.
Ms Forbes – size and [Redacted] boiler suit
Myself – size and [Redacted] boiler suit
- Confirmation of who will be attending from your office?^R **acte**
I will be attending with Ms Forbes
- Will only one car parking space be required?
I am unable to travel with Ms Forbes in the government car. I will therefore require a car parking space. Ms Forbes will arrive the government car. We are trying to find out from GCS if the car will remain on site for Cab Sec or it will leave and return for pick up. As soon as we know we will update you.

I hope this helps, but let me know if you need anything else.

Many thanks,
[Redacted]

[Redacted]

Private Secretary to Cabinet Secretary for Finance and the Economy – Kate Forbes

Scottish Government | Riaghaltas na h-Alba | 4N.09 | St Andrew's House | Regent Road | Edinburgh | EH1 3DG

Tel/Fòn: [Redacted] | Ext/Leudachan: [Redacted] | Mobile/Fòn-laimhe: [Redacted]

Email /Post-d: CabSecFE@gov.scot

<< OLE Object: Picture (Device Independent Bitmap) >>

Please see Ms. Forbes [Ministerial preferences](#) which may be of assistance to you when preparing a speech, briefing, PQs, submissions or correspondence.

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From: [Redacted] [\[Redacted\]@gov.scot](mailto:[Redacted]@gov.scot)

Sent: 17 August 2021 17:52

To: Cabinet Secretary for Finance and Economy <[\[Redacted\]@gov.scot](mailto:[Redacted]@gov.scot)>

Cc: [Redacted] [\[Redacted\]@gov.scot](mailto:[Redacted]@gov.scot); [Redacted] [\[Redacted\]@gov.scot](mailto:[Redacted]@gov.scot);

Rooney M (Maureen) <[\[Redacted\]@gov.scot](mailto:[Redacted]@gov.scot)>

Subject: Ferguson Marine Yard Visit - 25 August 2021

PS/Cabinet Secretary for Finance and Economy

The Turnaround Director talked Ms Forbes through the proposed structure of the visit next week.

The plan is to run two sessions, one of which will include the GMB union suggestions.

The structure of the day will be as follows -

13.30 – 13.40 Arrival & Introductions. Tim Hair

13.40 – 14.40 Change into PPE & yard tour. TH plus [Redacted] (Operations Director) & [Redacted] (Engineering Director)

14.40 – 15.00 Employee Group 1. Yard-facing employees including Union reps

15.00 – 15.20 Employee Group 2. Office based employees.

15.20 – 15.30 Wrap-up and exit

The group sessions will not include any managers which will give you the opportunity to have an open 2-way conversation with employees. The groups will be a mix of functions from across the business and will include a range of people from hourly paid trades to design engineers.

The yard tour requires PPE, including safety boots and boiler suit which the yard will provide.

I would be grateful if you could provide the following details for sharing with the yard –

- PPE sizes for all individuals attending from your office. Safety shoes and a boiler suit must be worn on site.
- Confirmation of who will be attending from your office?
- Will only one car parking space be required.?

The complete briefing pack will be sent up tomorrow as requested.

Kind regards

[Red

acted] | **Strategic Industrial Assets Division | Scottish Government**
Scottish Government / 4th Floor / 5 Atlantic Quay / 150 Broomielaw / Glasgow / G2 8LU
✉: [Redacted] @gov.scot ☎: Tel: [Redacted] | [Redacted]

I am working from home, contactable by email, on my mobile, and by MS Teams.

From: Tim Hair <[Redacted]@gov.scot>

Sent: Monday, 23 August 2021 17:18

To: [Redacted] @gov.scot>
Cc: [Redacted] @gov.scot>; [Redacted] @gov.scot>;
M (Maureen) <[Redacted] @gov.scot>; [Redacted] Rooney
[Redacted] @gov.scot>
Subject: RE: Ms Forbes Visit - URGENT

Great News.

Regards

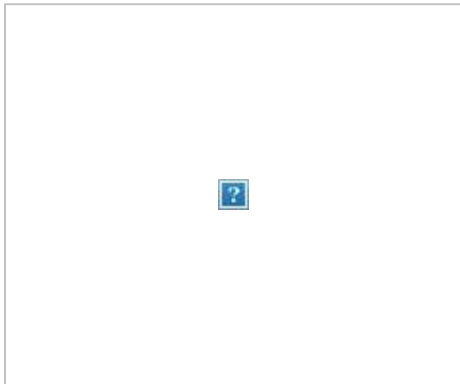
Tim Hair
Turnaround Director

T: [Redacted]
E: [Redacted] [@fergusonmarine.com](mailto:[Redacted]@fergusonmarine.com)
ted]



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From: [Redacted] [@gov.scot](mailto:[Redacted]@gov.scot) <[Redacted] @gov.scot>
Sent: 23 August 2021 16:49
To: Tim Hair [Redacted] [@fergusonmarine.com](mailto:[Redacted]@fergusonmarine.com)>
ed]
Cc: [Redacted] [@gov.scot](mailto:[Redacted]@gov.scot); [Redacted] [@gov.scot](mailto:[Redacted]@gov.scot); [Redacted] [@gov.scot](mailto:[Redacted]@gov.scot);
[Redacted] [@gov.scot](mailto:[Redacted]@gov.scot); [Redacted] [@gov.scot](mailto:[Redacted]@gov.scot)
Subject: RE: Ms Forbes Visit - URGENT

Tim,

Ms Forbes office have confirmed Mr McMillan and Mr Cowan won't be attending the visit. No need to amend your schedule.

Reuben's office should be confirming whether or not Reuben is attending tomorrow.

Thanks

[Redacted]
acted

From: Tim Hair <[Redacted] [@fergusonmarine.com](mailto:[Redacted]@fergusonmarine.com)>

Sent: Friday, 20 August 2021 11:46^{ted}

To: [Redacted] [@gov.scot](mailto:[Redacted]@gov.scot)>

Cc: [Redacted] [@gov.scot](mailto:[Redacted]@gov.scot)>; [Redacted]

M (Maureen) <[Redacted] [@gov.scot](mailto:[Redacted]@gov.scot)>; [Redacted]

[Redacted] [@gov.scot](mailto:[Redacted]@gov.scot)>

[@gov.scot](mailto:[Redacted]@gov.scot)>;

Rooney

[@gov.scot](mailto:[Redacted]@gov.scot)>;

Subject: RE: Ms Forbes Visit - URGENT

[Redacted]
acted

All noted.

Just need to know parking the day before.

Regards

Tim Hair

Turnaround Director

T: [Redacted]

E: [Redacted] [@fergusonmarine.com](mailto:[Redacted]@fergusonmarine.com)
ted]



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From: [Redacted] [@gov.scot](mailto:[Redacted]@gov.scot) <[Redacted] [@gov.scot](mailto:[Redacted]@gov.scot)>

Sent: 20 August 2021 09:28

To: Tim Hair <[Redac [@fergusonmarine.com](mailto:[Redacted]@fergusonmarine.com)]

Cc: D[Redacted^{ted}] [@gov.scot](mailto:[Redacted]@gov.scot); [Redacted] [@gov.scot](mailto:[Redacted]@gov.scot); [Redacted] [@gov.scot](mailto:[Redacted]@gov.scot);
[Redacted] [@gov.scot](mailto:[Redacted]@gov.scot); [Redacted] [@gov.scot](mailto:[Redacted]@gov.scot)

Subject: RE: Ms Forbes Visit - URGENT

Morning Tim,

I've relayed your concerns about the MP/MSP joining, SIAD are in agreement that it wouldn't be the best idea. Ms Forbes office have still not decided yet, I will keep you posted.

I've checked with Reuben's office and unfortunately he may not be able to attend, I will confirm in due course.

In relation to the car parking – Ms Forbes will be getting dropped off and picked up by the government car service. Her Private Secretary will require a space and I assume Mo and or Reuben may need one too, however this can confirmed later.

Thanks

[Red
acte

From: Tim Hair <[Redac [@fergusonmarine.com](mailto:[Redacted]@fergusonmarine.com)]

Sent: Thursday, 19 August 2021 17:52^{ted}

To: [Redacted] [@gov.scot](mailto:[Redacted]@gov.scot)

Cc: [Redacted] [@gov.scot](mailto:[Redacted]@gov.scot); [Redacted]

M (Maureen) <[Redacted] [@gov.scot](mailto:[Redacted]@gov.scot)]; [Redacted]

[Redacted] [@gov.scot](mailto:[Redacted]@gov.scot)

[@gov.scot](mailto:[Redacted]@gov.scot)>;

Rooney

[@gov.scot](mailto:[Redacted]@gov.scot)>;

Subject: RE: Ms Forbes Visit - URGENT

[Redacted]

Sorry for the delay in a full reply. It's been a lively day.

[redacted]

I understand the potential need for Mr McMillan and Mr Cowan to be involved but we will not be able to go ahead with the group meetings if they come and will change the visit to a more conventional tour.

Thanks for the PPE sizes. I also have Mo and Reuben down as attending. I think we still have Mo's details but perhaps you could also ask Reuben for his sizes. Just to be clear, I would prefer to limit the group sessions just to CabSec and one or two others so they are as relaxed as possible. We are however happy to accommodate others for the rest of the visit – there is plenty to see.

Car parking is not a problem. You can have as many spaces as you like, I just need a guide.

Bios for [Red and [Redac follow shortly.
acte ted]

Regards

Tim Hair
Turnaround Director

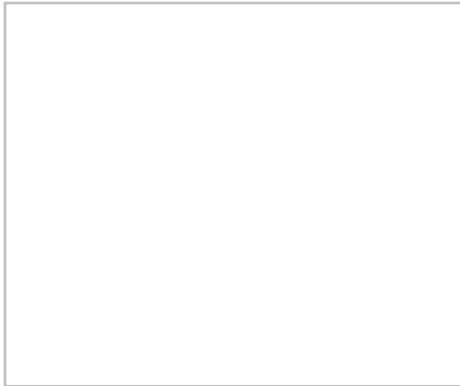
T: [Redacted]

E: [Redacted] [@fergusonmarine.com](mailto:[Redacted]@fergusonmarine.com)
ted]



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From: [Redacted] [@gov.scot](mailto:[Redacted]@gov.scot) <[Redacted] [@gov.scot](mailto:[Redacted]@gov.scot)>

Sent: 19 August 2021 09:35

To: Tim Hair <[Redacted] [@fergusonmarine.com](mailto:[Redacted]@fergusonmarine.com)>

Cc: [Redacted] [@gov.scot](mailto:[Redacted]@gov.scot); [Redacted] [@gov.scot](mailto:[Redacted]@gov.scot); [Redacted] [@gov.scot](mailto:[Redacted]@gov.scot);
[Redacted] [@gov.scot](mailto:[Redacted]@gov.scot); [Redacted] [@gov.scot](mailto:[Redacted]@gov.scot)

Subject: RE: Ms Forbes Visit - URGENT

Morning Tim,

Ms Forbes office have come back to me with some further details.

- PPE sizes for all individuals attending from your office. Safety shoes and a boiler suit must be worn on site.
Ms Forbes – size and R [Redacted] boiler suit
[Redacted] – size and R [Redacted] boiler suit
- Confirmation of who will be attending from your office?^R
- ^{acte} [Redacted] (**Private Secretary**)

Will only one car parking space be required.?

[Redacted] is unable to travel with Ms Forbes in the government car. He will therefore require a car parking space. Ms Forbes will arrive the government car. We are trying to find out from GCS if the car will remain on site for Cab Sec or it will leave and return for pick up. As soon as we know we will update you.

As a courtesy private office have alerted local MSPs and MPs that Ms Forbes is visiting their constituency. Which is unfortunate, as Stuart McMillan MSP and Ronnie Cowan MP have responded to ask if they can attend the visit. Ms Forbes has not yet confirmed with her office if she is content with them attending.

I have responded this morning to say that the visit was arranged as a private visit for Ms Forbes only. However I have said I would check with yourself to see what kind of impact two more attendees would have on the agenda for the day as I am mindful that 1m social distancing is still in operation indoors at the meeting rooms etc. I have also suggested it may be more appropriate for Mr McMillan and Mr Cowan to visit another time.

Thanks

[Redacted]
acte

From: Tim Hair <[Redacted] @fergusonmarine.com>

Sent: Wednesday, 18 August 2021 13:49^{ted}

To: [Redacted] @gov.scot>

Cc: [Redacted] @gov.scot>; [Redacted]

M (Maureen) <[Redacted] @gov.scot>; [Redacted]

[Redacted] @gov.scot>

@gov.scot>;

Rooney

@gov.scot>;

Subject: RE: Ms Forbes Visit - URGENT

[Redacted]
dact

We have decided to stick with the original timing but change the structure of the two groups so that the first is a mix of non-union people from across the business and the second is only people chosen by the shop stewards. The schedule will therefore be:

13.30 – 13.40 Arrival & Introductions. Tim Hair

13.40 – 14.40 Change into PPE & yard tour. TH plus [Redacted] (Operations Director) & [Redacted] (Engineering Director)

14.40 – 15.00 Employee Group 1. Mixed employees from across the business

15.00 – 15.20 Employee Group 2. Shop stewards and union members selected by them.

15.20 – 15.30 Wrap-up and exit

Some points to be aware of:

1. [redacted]
2. We have heard that some Union members think they should be allocated at least an hour with Ms Forbes. We have made their session the last item so that she can bring it to an end by having to leave for another engagement
3. [Redacted]

Look forward to introducing Ms Forbes (and Reuben) to the yard.

Regards

Tim Hair
Turnaround Director

T: [Redacted]

E: [Redacted] [@fergusonmarine.com](mailto:[Redacted]@fergusonmarine.com)
ted]



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From: Tim Hair

Sent: 18 August 2021 10:19

To: [Redacted] [@gov.scot](mailto:[Redacted]@gov.scot)

Cc: [Redacted] [@gov.scot](mailto:[Redacted]@gov.scot); [Redacted] [@gov.scot](mailto:[Redacted]@gov.scot); [Redacted] [@gov.scot](mailto:[Redacted]@gov.scot);

[Redacted] [@gov.scot](#); [Redacted] [@gov.scot](#)

Subject: RE: Ms Forbes Visit - URGENT

[Re ,
dact

[redacted]

I know you need to submit a briefing paper today so we'll figure this out quickly and get back to you.

Regards

Tim Hair
Turnaround Director

T: [Redacted]

E: [Redac [@fergusonmarine.com](#)
ted]



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From: Tim Hair

Sent: 17 August 2021 18:31

To: [Redacted] [@gov.scot](#)

Cc: [Redacted] [@gov.scot](#); [Redacted] [@gov.scot](#); [Redacted] [@gov.scot](#);

[Redacted] [@gov.scot](#); [Redacted] [@gov.scot](#)

Subject: RE: Ms Forbes Visit

[Re ,
dact

We can accommodate as many as required for a tour so Reuben would be very welcome to visit.

We don't have many big meeting rooms, so for the group sessions I'd thought to arrange the seats in an oval so it feels more interactive but this limits the room to about 16 people at 1m distance. I'd prefer to keep it to CabSec plus one or at most two, but ultimately we can make anything work.

I'm sure Reuben, Mo and I can find things to discuss while Ms Forbes is busy, so please encourage both to come.

Noting SG Coms on the distribution, I had a routine call today with CabSec where she mentioned that she did not envisage any formal media but possibly something on Twitter. We will be guided by you and will be happy to support whatever is best. Ms Forbes will be in a boilersuit for the tour and as we put visitors in red and employees in blue I would have thought there is a good photo available, possibly with our Engineering and Operations Directors both of whom happen to be female.

Regards

Tim Hair
Turnaround Director

T: [Redacted]

E: [Redacted] [@fergusonmarine.com](mailto:[Redacted]@fergusonmarine.com)
ted]



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From: [Redacted] [@gov.scot](mailto:[Redacted]@gov.scot) [Redacted] [@gov.scot](mailto:[Redacted]@gov.scot)>
Sent: 17 August 2021 17:41
To: Tim Hair <[Redacted] [@fergusonmarine.com](mailto:[Redacted]@fergusonmarine.com)>
Cc: [Redacted] [@gov.scot](mailto:[Redacted]@gov.scot); [Redacted] [@gov.scot](mailto:[Redacted]@gov.scot); [Redacted] [@gov.scot](mailto:[Redacted]@gov.scot);
[Redacted] [@gov.scot](mailto:[Redacted]@gov.scot); [Redacted] [@gov.scot](mailto:[Redacted]@gov.scot)
Subject: RE: Ms Forbes Visit

Tim,

Thanks for this, all very helpful.

I will speak to private office and get the details you require.

The plan was for Mo and Reuben to attend as official support. Reuben was particularly keen to visit the yard as he hasn't been before, however if you think only 1 official can realistically be accommodated then I'm sure he can wait until next time.

Attending from SG side will likely be the following –

- Mo
- [Redacted] from Comms to take pictures for twitter
- Likely someone from Ms Forbes office, I can confirm who soon.

For briefing purposes it would also be helpful if you provide a short bio for [Red and [Redact if

possible. acte ed]

Thanks

[Red
acte

From: Tim Hair <[Redac @fergusonmarine.com]>

Sent: Tuesday, 17 August 2021 15:52^{ted]}

To: [Redacted] @gov.scot>

Cc: [Redacted] @gov.scot>; [Redacted] @gov.scot>; Rooney

M (Maureen) <[Redacted] @gov.scot>

Subject: RE: Ms Forbes Visit

[Re ,
dact

Our plan has matured a little.

[redacted]

The structure now looks like this

13.30 – 13.40 Arrival & Introductions. Tim Hair

13.40 – 14.40 Change into PPE & yard tour. TH plus [Redacted] (Operations Director) & [Redacted] (Engineering Director)

14.40 – 15.00 Employee Group 1. Yard-facing employees including Union reps

15.00 – 15.20 Group 2. Office based employees.

15.20 – 15.30 Wrap-up and exit

The group sessions will not include any managers and my hope is that Ms Forbes will be able to have an open 2-way conversation with employees. The groups will be a mix of functions from across the business and we will put together a range of people from hourly paid trades to design engineers. We will be able to get about 16 people into the meeting room at 1m distancing so would suggest that Ms Forbes is accompanied by only one official, assuming she is comfortable with that.

The yard tour requires PPE, including safety boots and boilersuit which we will provide but we'll need sizes for all her party in advance. You may want to diplomatically point out that Ms Forbes should plan her wardrobe for the day with a boilersuit in mind. Liz and Mo are both experts if she needs advice.

It would also be useful to know who else will be coming.

Regarding parking, we have room inside the gates but it is limited so we'll need to know how many cars to expect. To gain entry they should call reception on [Redacted] or failing that my mobile [Redacted]

[Redacted] and I'll let them in.
ted]

Regards

Tim Hair
Turnaround Director

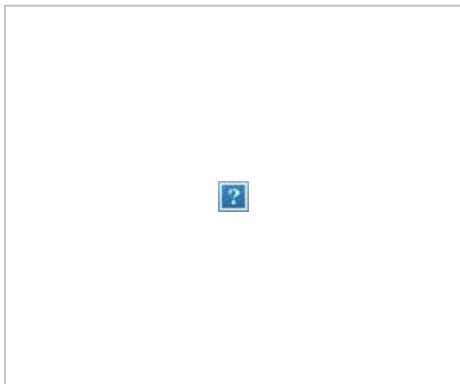
T: [Redacted]

E: [Redacted] [@fergusonmarine.com](mailto:[Redacted]@fergusonmarine.com)
ted]



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From: [Redacted] [@gov.scot](mailto:[Redacted]@gov.scot) <[Redacted]@gov.scot>

Sent: 16 August 2021 10:41

To: Tim Hair <[Redacted]@fergusonmarine.com>

Cc: [Redacted] [@gov.scot](mailto:[Redacted]@gov.scot); [Redacted] [@gov.scot](mailto:[Redacted]@gov.scot)

Subject: Ms Forbes Visit

Hi Tim,

I'm currently pulling together briefing for Ms Forbes visit to the yard on 25 August.

I understand the current plan is for Cab Sec to meet 3 groups of workers from various roles. It would be helpful if you could perhaps send me a short blurb for background purposes on each of the groups Cab Sec is likely to meet. Something general about the roles they carry out should suffice.

Can you also confirm the parking arrangements for Cab Sec, I understand that the last time a Minister visited the yard they were able to drive into the main forecourt area of the yard.

Ms Forbes office have requested the briefing pack by close of play Wednesday. If you could provide the information I need by **close of play tomorrow** that would be appreciated.

Thanks

[Red

acte

[Redacted] | **Strategic Industrial Assets Division | Scottish Government**

] *Scottish Government | 4th Floor | 5 Atlantic Quay | 150 Broomielaw | Glasgow | G2 8LU*

✉: [Redacted] [@gov.scot](mailto:[Redacted]@gov.scot) ☎: Tel: [Redacted] | [Redacted]

I am working from home, contactable by email, on my mobile, and by MS Teams.

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MINISTERIAL ENGAGEMENT BRIEFING:

2. KATE FORBES, CABINET SECRETARY FOR FINANCE AND THE ECONOMY

2.1 Briefing for Call with Ferguson Marine and [redacted]

What	A meeting with representatives from Ferguson Marine and a delegation from [redacted] in relation to an opportunity the yard are pursuing to build [redacted]
Where	MS Teams – [redacted]
When	14:00 – 14:30 27 th August 2021
Key Message(s)	Reaffirm the Scottish Government's support of Ferguson Marine and our keenness to see [redacted] contract delivered in Scotland.
Who	Ferguson Marine: Tim Hair, Turnaround Director [redacted] [redacted]
Why	<p>[redacted] delegation are visiting Scotland as part of a technical assessment of the Ferguson Marine bid. This is part of a much wider programme of meetings running from 25-29 August.</p> <p>This meeting has been arranged as an opportunity for the [redacted] to hear directly from Ms Forbes. The Cabinet Secretary's attendance is in itself intended to achieve the purpose of the meeting i.e. demonstrate SG's commitment to this bid. There is therefore no formal agenda but Tim Hair will chair the discussion.</p>
Supporting official	[redacted], Strategic Industrial Assets Division Tel: [redacted]
Briefing contents	Annex A: Suggested lines to take Annex B: [redacted] vessel opportunity Annex C: Wider [redacted] policy background Annex D: Biography, [redacted]

ANNEX A LINES TO TAKE

- Scottish Ministers took ownership of Ferguson Marine in 2019 and remain committed to the yard, its workforce and supporting its sustainable future.
- Scotland and the river Clyde have a proud shipbuilding heritage – we are keen to build upon this and would be delighted to see [redacted] contract delivered in Scotland.
- We see [redacted] as an important partner and, [redacted] it has the full support of Scottish Government.

[redacted]

[redacted]

[redacted]

ANNEX B

[redacted]

[redacted]

ANNEX C

[redacted]

ANNEX D

[redacted]

MINISTERIAL ENGAGEMENT BRIEFING:

3. KATE FORBES, CABINET SECRETARY FOR FINANCE AND THE ECONOMY

3.1 Briefing for Visit to Ferguson Marine Shipyard in Port Glasgow

What	First visit to Ferguson Marine Shipyard in Port Glasgow.
Where	Ferguson Marine Castle Rd Port Glasgow PA14 5NG
When	Wednesday, 25 August 2021 13:30 – 15:30
Key Message(s)	Reaffirm Scottish Government's commitment to the vessels, the workforce and the yard.
Who	The workforce of Ferguson Marine.
Why	An opportunity to visit the Shipyard and meet sections of the workforce.
Supporting official	Mo Rooney – Strategic Industrial Assets Tel: [redacted] Reuben Aitken – Covid Business Resilience and Support Tel: [redacted]
Briefing contents	Annex A: Agenda Annex B: Workforce Groups Annex C: Background Brief

Media Handling	This a private visit, the media has not been alerted. An SG Comms official will be in attendance to take a photo which can be tweeted out after the visit. [redacted] [redacted]
Social Media	Separate note from SG Comms to be sent to Private Office detailing media handling.
Name of the Constituency MSP	Stuart McMillan MSP
Name of Constituency	Greenock and Inverclyde
Local MSP contacted (Y/N)	Yes.
Dress code	PPE will be provided for tour of yard. Safety boots, hard hat and boiler suit.

MINISTERIAL ENGAGEMENT BRIEFING:

4. KATE FORBES, CABINET SECRETARY FOR FINANCE AND THE ECONOMY

4.1 Briefing for Visit to Ferguson Marine Shipyard in Port Glasgow

Greeting Party and specific meeting point on arrival (if event is at a non SG Building)	You will be greeted by Tim Hair, Mo Rooney and Reuben Aitken in the car park of the shipyard.
Specific entrance for Ministerial car/parking arrangements	Ministerial Car will drop you off at yard and pick you up again at 15:30. To gain entry the reception can be reached on [redacted] or Tim's mobile [redacted]

4.2 Agenda

The Turnaround Director plans to run two sessions, one of which will include the GMB suggestions.

The structure of the day will be as follows -

13.30 – 13.40 Arrival & Introductions. Tim Hair

13.40 – 14.40 Change into PPE & yard tour. TH plus [redacted] & [redacted]

14.40 – 15.00 Employee Group 1. Mixed employees from across the business.

15.00 – 15.20 Employee Group 2. Shop stewards and selected union members.

15.20 – 15.30 Wrap-up and exit

The group sessions will not include any managers which will give you the opportunity to have an open 2-way conversation with employees. The groups will be a mix of functions from across the business and will include a range of people from hourly paid trades to design engineers.

The yard tour requires PPE, including safety boots and boiler suit which the yard will provide.

Tim has advised that some Union members think they should be allocated at least an hour with Ms Forbes. Tim has made their session the last item so that you can bring it to an end by having to leave for another engagement.

ANNEX 6

4.3 Workforce Groups

Employee Group 1 – Up to 16 mixed employees from across the business. From hourly paid trades people, such as welders to design engineers.

Employee Group 2 – Union selected, with Shop Stewards such as [redacted] & [redacted] who you have spoken to on MS Teams previously.

[redacted] will join you for the tour of the yard with Tim Hair. [redacted]

[redacted]

[redacted]

4.4 [redacted]

ANNEX C

Background Briefing

Ferguson Marine Background

In 2014, Fergusons entered administration and was purchased by Clyde Blowers Capital (CBC). In 2015 the company secured the £97 million contract to build two ferries for Caledonian Maritime Assets Limited (CMAL). The MV Glen Sannox (801) and a second vessel (802), the original completion dates were April 2018 and October 2018, respectively.

Ferguson Marine Engineering Limited (FMEL) Directors filed a notice of intention to appoint administrators on 9 August 2019 and administrators were appointed on 16 August 2019. The Scottish Government operated the yard under a management agreement with the administrators until the commercial transaction to bring the yard into public ownership was concluded on 2 December 2019.

Contract Costs

Following the acquisition which brought Ferguson Marine into public ownership, the Contracts for 801 & 802 were novated to Ferguson Marine Port Glasgow (FMPG).

The contracts have a contractual price, inclusive of agreed variations, of £98.5 million. Prior to Ferguson Marine being brought into public ownership, CMAL advanced payments totalling £83.0 million in respect of the Contracts. The revised cost to complete the contracts was estimated at between **£110.3 million and £114.3 million** in December 2019 by the Turnaround Director of Ferguson Marine. The Turnaround Directors August report confirmed these numbers and his subsequent June 2021 report maintains these costs. This means £193-197m will be paid for the vessels against a revised contract price of £98.5m.

4.4.1 Updated Schedule

Ferguson Marine submitted a [report](#) to the Scottish Parliament's Net Zero, Energy and Transport Committee on 24 June 2021 as part of regular quarterly updates on progress as requested by the committee in their report on ferry procurement. The report details the impact that COVID-19 and shortages of local skilled labour has had on delivery schedules and pandemic-related costs. This report is the second update to the programme to deliver Vessels 801 & 802 and should be considered alongside the initial report, issued to Scottish ministers on 9 December 2019, and the first update issued on 21 August 2020.

These factors have created a total 15-week delay in the construction of both vessels. As a result, MV Glen Sannox (801) is scheduled to be delivered between **July 2022 and September 2022** while Hull 802 is scheduled to be delivered between **April 2023 and July 2023**.

August 2020 Update		June 2021 Update	
Delivery Range	Cardinal	Delivery Range	Cardinal

		Date		
801	April to June 2022	14 April 2022	July to September 2022	25 July 2022
802	December 2022 to Feb. 2023	8 Dec. 2022	April to July 2023	3 April 2023

MINISTERIAL ENGAGEMENT BRIEFING: KATE FORBES, CABINET SECRETARY FOR FINANCE AND THE ECONOMY Briefing for Visit to Ferguson Marine Shipyard in Port Glasgow

The COVID-19 pandemic caused six months of disruption in 2020 and productivity has continued to be impacted due to a further shutdown in January 2021 and the introduction of additional COVID-19 safety measures. The timeline impact of ongoing disruption has been calculated as seven weeks, with additional costs of **£1 million**, which reflects the update given to parliament in March 2021. It brings the total COVID-19 costs to **£4.3 million**, which is treated as an exceptional item and does not affect the overall project budget. The overall project budget remains stable and **unchanged at £110.3 million to £114.3 million**.

Recruitment challenges since late 2020 have caused a delay of eight weeks as the shortage of local skilled labour meant that Ferguson's had to meet resource requirements by subcontracting smaller fabrications to Scottish businesses, which has supported 25 jobs, and introducing overseas workers.

The report also outlines achievements and progress to date, including a major milestone in the build of MV Glen Sannox with the completion of structural work.

Progress is visible with the installation of a reworked funnel and newly constructed mast, as well as completion of the structure around the stern and inside the hull. Remedial work has been completed on hull paintwork and the first layers of protective paint have been applied to the aluminum superstructure. Completion of the structure makes way for outfitting of the vessel, which includes the installation of 10km of pipework and extensive equipment, plus the creation of public spaces and cabins and full furnishing.

Despite the challenges and delays, shipyard management remains positive based on improved capability built over the past 18 months, including a highly qualified and capable leadership team in place. The senior management team now has 130 years of combined shipbuilding experience, with other new expert appointments and existing high-calibre employees promoted into key positions.

Ferguson Marine – Pay Offer

Lines to take

4.5 [redacted]

4.5.1 Summary of Unions Call

You met with Trade Union representatives on 20 July 2021. A summary of the discussions can be found below.

Introductions

- Ms Forbes welcomed the opportunity to meet and work in partnership with the unions. She stressed the importance of the Ferguson Marine workforce locally and nationally. The vessels under construction are of national importance and are critical to the areas they will serve.
- She is mindful of the uncertainty the workforce have had to deal with and is keen to work closely with them to get a feel for what is happening on the ground at the yard. She is aware of the GMBs “Fight for Ferguson” campaign and would like to work more closely to on this.

Future

- Ms Forbes stated the priority for the yard is to finish the two vessels currently under construction. Whilst the construction continues, work around improving productivity will carry on while the yard explores future contracts in public and private sectors.
- The yard needs to be able to compete on a Domestic, European and Global scale. This means the yard must demonstrate its competitiveness to secure a long term future that is able to supply a pipeline of work. Ms Forbes wants to work with the yard and unions to get to a place where this can happen. She asked the call what more do they think needs to be done to help.
- Union colleagues appreciated what has been said so far and welcomed the offer of further regular meetings. They praised the “fantastic” workforce at the yard, who have had to work through a difficult period with COVID-19. It was acknowledged that the organisation on the ground within the yard could be better.
- **[redacted]** called for a pipeline of future work for the yard and for future contracts to have a form of standardisation in types of vessels the yard will bid on and build. Building to different specifications has potentially caused delays and cost overruns. He also recommended collaborating with local yards to agree “through life” packages where local yards can be used for maintenance instead of those further afield.
- Ms Forbes was aware of the importance that the yard has to the success of the local economy as a large employer and was keen to see a pipeline of apprenticeships. She agrees that improved levels of morale is linked to higher productivity and wanted to inspire the workforce to realise how important they are. A workforce with continued low morale could result in further delays. The yard management is currently investigating options to accelerate the delivery of the vessels.

Working Practices

- **[redacted]** attributed the low morale to not being able to settle the recent 2021/2022 pay award and the ever changing senior management team. **[redacted]** was of the view that the senior management team is trying to replicate structures and ways of working in place at BAE systems, which in his view is incompatible. Commercial Shipbuilding on the scale at which Ferguson Marine operates needs to be “lean and mean” to compete.
- **[redacted]** and **[redacted]** echoed **[redacted]** comments in regard to high numbers of managers/supervisors and low morale. They believe it is partly down to the lack of work at the moment, which means colleagues are idle for long periods per shift. The recent negative media stories in relation to the previous owners and the future of the yard has the workforce anxious about their jobs.
- **[redacted]** attributes some of the workflow issues to the large numbers of contractors involved at the yard. He also said the planning systems in place from management weren’t working and this has been raised at board meetings for 6-7 months. The senior management response was that further planning managers are being recruited.
- The practice of having a weekend shift instead of night shift was implemented without any negotiations with the unions. There was discussion that nightshift can work better due to the handover of work process from morning to night and vice versa.
- **[redacted]** highlighted his concerns in relation to the contractor design work, which in his view isn’t fit for purpose. Some of the structure they are being asked to fit are heavy and will impact the final weight of the vessels.

Closing Remarks

- Ms Forbes is keen to visit the yard soon and help fix the issues that have been raised on the call today. She was also keen to set up regular meetings to find out what is happening on the ground and the progress being made.
- Ms Forbes reiterated the need for an improvement in productivity and competitiveness at the yard. She asked those on the call to take back the message that she has heard their concerns and she will act on them as far as she can.

What	6 weekly meeting with Tim Hair, Turnaround Director of Ferguson Marine and Alistair Mackenzie, Chair of the Ferguson Marine Board of Directors.
Where	MS Teams – [redacted]
When	Monday, 17 August 2021 16:30 – 17:00
Key Message(s)	Reaffirm Scottish Government's commitment to the vessels, the workforce and the yard.
Who	Tim Hair, Turnaround Director of Ferguson Marine Alistair Mackenzie, Chair of the Ferguson Marine Board of Directors
Why	This is the second in a series of meetings with the Turnaround Director and Chair. The purpose of the meeting is to discuss the turnaround of the yard and progress against delivery of 801 and 802.
Supporting official	[redacted]– Strategic Industrial Assets Tel: [redacted] [redacted]–Strategic Industrial Assets Tel: [redacted]
Briefing contents	Annex A: Agenda Annex B: Background Briefing

ANNEX A

Agenda

- **Greetings**
- **General update on progress**
- [redacted]
- **Other Future Work Opportunities**
- [redacted]
- **Ms Forbes Visit to Yard**
- **AOB**

4.6 Background Briefing

Ferguson Marine Background

In 2014, Fergusons entered administration and was purchased by Clyde Blowers Capital (CBC). In 2015 the company secured the £97 million contract to build two ferries for Caledonian Maritime Assets Limited (CMAL). The MV Glen Sannox (801) and a second vessel (802), the original completion dates were April 2018 and October 2018, respectively.

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4.7 Updated Schedule

Ferguson Marine submitted a report to the Scottish Parliament's Net Zero, Energy and Transport Committee on 24 June 2021 as part of regular quarterly updates on progress as requested by the committee in their report on ferry procurement. The report details the impact that COVID-19 and shortages of local skilled labour has had on delivery schedules and pandemic-related costs. This report is the second update to the programme to deliver Vessels 801 & 802 and should be considered alongside the initial report, issued to Scottish ministers on 9 December 2019, and the first update issued on 21 August 2020.

These factors have created a total 15-week delay in the construction of both vessels. As a result, MV Glen Sannox (801) is scheduled to be delivered between **July 2022 and September 2022** while Hull 802 is scheduled to be delivered between **April 2023 and July 2023**.

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	Delivery Range	Cardinal	Delivery Range	Cardinal
	Date			
801	April to June 2022	14 April 2022	July to September 2022	25 July 2022
802	December 2022 to Feb. 2023	8 Dec. 2022	April to July 2023	3 April 2023

The COVID-19 pandemic caused six months of disruption in 2020 and productivity has continued to be impacted due to a further shutdown in January 2021 and the introduction of additional COVID-19 safety measures. The timeline impact of ongoing disruption has been calculated as seven weeks, with additional costs of **£1 million**, which reflects the update given to parliament in March 2021. It brings the total COVID19 costs to **£4.3 million**, which is treated as an exceptional item and does not affect the overall project budget. The overall project budget remains stable and **unchanged at £110.3 million to £114.3 million**.

Recruitment challenges since late 2020 have caused a delay of eight weeks as the shortage of local skilled labour meant that Ferguson's had to meet resource requirements by subcontracting smaller fabrications to Scottish businesses, which has supported 25 jobs, and introducing overseas workers.

The report also outlines achievements and progress to date, including a major milestone in the build of MV Glen Sannox with the completion of structural work.

Progress is visible with the installation of a reworked funnel and newly constructed mast, as well as completion of the structure around the stern and inside the hull. Remedial work has been completed on hull paintwork and the first layers of protective paint have been applied to the aluminum superstructure. Completion of the structure makes way for outfitting of the vessel, which includes the installation of 10km of pipework and extensive equipment, plus the creation of public spaces and cabins and full furnishing.

Despite the challenges and delays, shipyard management remains positive based on improved capability built over the past 18 months, including a highly qualified and capable leadership team in place. The senior management team now has 130 years of combined shipbuilding experience, with other new expert appointments and existing high-calibre employees promoted into key positions.

On 6 August 2021 officials provided a further update to Ministers on progress to deliver vessels 801 and 802. The Cabinet Secretary will receive such updates on a regular basis.

4.8 Options to Accelerate Delivery of 801/802

You requested that officials investigate all potential options to accelerate the delivery of vessels 801 and 802. The latest position on the progress of consideration and implementation of the possible options is listed below.

A number of the options are already in the process of implementation. These are:

- Bring 5 ICE engineers to the shipyard and use local ICE team to be the interface with ICE Romania (discussions underway with ICE).
- Recruit additional project engineering support to manage the remaining engineering work scope (underway).
- Increase outfitting at the unit stage before assembly on to the ship (opportunities under investigation).
- Manage the customer's representative (CMAL) such that they are approving presented work rather than policing partly completed work (Fergusons and CMAL agreeing terms of joint working).

- Change relationship with CMAL to make review and feedback more structured and efficient (Fergusons and CMAL agreeing terms of joint working).
- Additional Maritime and Coastguard Agency and Lloyds Register representatives to accelerate approvals and acceptance, to be based full time at yard (discussions commencing shortly).
- Increase overseas workers to resource fabrication 24/7 (to be implemented when appropriate planning in place to maximise value).

These options were in addition to a number of more minor changes to working practices, which didn't make the options list, but were instead implemented immediately as opportunities for improvement, which the yard routinely acts on when identified.

Additional to the options presented to you, further capability improvements have since been made in project management and planning to ensure more efficient operations, and support detailed management of work packages and control of materials.

These options progress alongside ongoing improvements targeting the smooth build out of the ferries, identified in the Turnaround Director's June 2021 report to Parliament on the revised delivery schedule.

Consideration of one residual option is ongoing. This is the option to delay the commissioning of the vessels' LNG systems to allow an earlier entry into service, but requiring a withdrawal from service at a later date to allow for the system to be commissioned.

A meeting between SIAD, TS and CMAL colleagues took place on 21 July as planned. **[redacted]**

4.9 Future Work

Direct Award [NOT IN THE PUBLIC DOMAIN]

Officials are exploring the potential for the direct award of SG-funded vessels to Ferguson Marine. While direct award could provide a pipeline of work for the yard, this is a complex issue with legal, procurement and policy implications.

Procurement and the Teckal exemption

Whilst procurement law generally requires contracts to be subject to open competition, direct award is permitted in certain narrow circumstances, including under the so-called Teckal exemption. Teckal allows a public body to directly award a contract to an entity over which it has control, or for award between two entities which are controlled to a similar degree by a parent body.

4.10 **[redacted]**

Competition Rules and Value For Money

It is also necessary to consider competition law as the direct award of contracts has the potential to distort the market, in particular by providing overcompensation to the recipient. Our understanding is that direct award would have been compatible under EU State Aid rules provided that Teckal compatibility was met and a robust

benchmarking exercise undertaken. As the transition from EU State aid to a UK subsidy control system has not yet concluded, we do not know what adequate benchmarking looks like in practice and what guarantees it might offer against legal challenge from other yards or jurisdictions [redacted]

In all direct award scenarios, we anticipate a benchmarking exercise to be a key part of the process. Benchmarking is intended to ensure that a contract is priced competitively, even where it has not been competitively tendered, and that a yard can deliver efficiently and effectively in comparison to its competitors. This is to ensure there is no overcompensation to the recipient that would have the potential to distort the market. It would also seek to provide assurance that any contract award would satisfy public finance value-for-money and accountability requirements, and ensure the contract can withstand any scrutiny in the Scottish Parliament and from Audit Scotland.

Ferguson Marine recently commissioned a broad benchmarking exercise to assess their productivity against competitors and identify areas for improvement. [redacted]

Next steps

In order to progress towards a recommendation, officials will be seeking detail on:

- the new competition regime, particularly the interface between it and the Teckal exemption;

[redacted]

[redacted]

4.11 [redacted]

4.11.1 Visit to the Yard

You are scheduled to visit the Ferguson Marine yard between 13:30 and 15:30 on 25 August 2021.

Indicative Agenda for Visit

The Turnaround Director has suggested you meet 3 small groups of workers from different levels and disciplines within the yard. The meetings will be without management present and will allow you to form your own view.

13.30 arrive & meet Tim Hair

14.00 Group 1

14.20 Group 2 (union selected)

14.40 Group 3

15.00 Walking tour of yard and close out with Tim Hair

15.30 Depart

The membership of the Union is about 30% of the total workforce, all of whom are shop floor workers. Tim will choose other groups from across the yard, including a group of middle managers to allow a balanced view of the workforce.

4.11.2 Meeting between FMPG, CMAL and Officials

You will be aware that an email was received by DG Economy from **[redacted]** Caledonian Maritime Assets Limited (CMAL) in relation to work being undertaken on MV 801/MV Glen Sannox and MV 802 at Ferguson Marine (Port Glasgow).

Officials proposed an initial meeting between representatives from CMAL and Ferguson Marine (Port Glasgow) with officials from Strategic Industrial Assets Division (within DG Economy) and Transport Scotland's Ferries Unit in attendance. This meeting is now scheduled for **23 August 2021**.

The meeting will be an opportunity for all parties to discuss the points raised in **[redacted]** letter, regarding delivery timescales, programme details/procedures and governance in a collaborative and collective manner. Officials will update Ministers on proposed next steps thereafter.

Ferguson Marine – Meeting with Turnaround Director and Chair

16:30-17:00, Tuesday 17 August 2021 Note of Meeting

4.11.3 Attendees

- Kate Forbes, Cabinet Secretary for Finance and Economy
- Tim Hair, Ferguson Marine
- Alistair MacKenzie, Ferguson Marine
- **[redacted]**, Strategic Industrial Assets
- **[redacted]**, Strategic Industrial Assets

General Update

- Tim explained how there has been positive progress in the yard since the last time he spoke with Ms Forbes and momentum is still building as time progresses.
- Some significant developments are in relation to the new inventory management system and the hiring of a new head of planning (started 26 July), who has a lot of experience.
- There is also rapidly improving planning systems in place, with better KPIs and progress monitoring systems. More overseas workers are due to start when planning systems develop further.
- Ms Forbes was pleased to hear that planning was improving as this is a really important area going forward.
- Tim is confident vessels will be delivered to the timescales he put in his June update to the Scottish Parliament. The speed of fabrication on 802 is now optimal and the Bulbous bow lift will be done soon. 801 is a big challenge with a lot to do, however Tim is confident they will meet the deadline and the budget will remain at £110 - 114 million.
- Tim ran through some of the options to accelerate work. For example more resource from the approval body - Maritime and Coastguard Agency (MCA) is in place. The process in relation to CMAL approvals has also been made quicker. **[redacted]** The yard have been investigating whether any time saved in construction is enough to warrant pursuing this, **[redacted]**

4.11.4 [redacted]

- A delegation from the **[redacted]** visited the yard in recent weeks. Tim felt the visit was extremely positive. A further visit by **[redacted]** is planned in the coming weeks and another visit by **[redacted]**
- Ms Forbes asked to be kept updated on the process and was keen to be involved if appropriate, as future work for the yard is a priority.

Other Future Work Opportunities

- Tim highlighted that the yard was aware of future CMAL and Marine Scotland tenders that the yard may be interested in pursuing. He was also aware that Border force were looking for smaller patrol boats, that are required to be UK built.

Forbes Visit

- Tim and Alistair were please Ms Forbes was visiting the yard on 25 August and thought it would be a good opportunity to talk openly with the workforce. They were keen for further visits and suggested Ms Forbes attends the bow lift in November.
- Ms Forbes was keen to visit the yard and help make Ferguson Marine a success.

Strategic Industrial Assets

19 August 2021

From: [redacted]
Sent: 01 April 2022 15:29
To: Cabinet Secretary for Finance and Economy
Cc: [redacted] [redacted]
Subject: For Awareness - Ferguson Marine - FOI 202200275543
Attachments: FOI 202200275543 - Combined redacted documents.pdf; FOI 202200275543 - Draft Response - March 2022.docx

Objective: -1

PS/Cabinet Secretary for Finance and Economy

Please find attached a draft response and accompanying documents with scope intended for release.

SPADS have reviewed and are content for release. [redacted]

Summary of FOI request

* I would like a copy of the minutes, briefings and unofficial notes, emails, phone calls, letters and otherwise of the meeting which took place on 17 August 2021 between Cabinet Secretary for Finance Kate Forbes and chief executive at Ferguson Marine Tim Hair and chair Alistair Mackenzie.

* I would like a copy of the minutes, briefings and unofficial notes, of the visit to Ferguson Yard which took place on 25 August 2021 by the Cabinet Secretary for Finance Kate Forbes? Who attended the meeting? What was it about? What was discussed?

* Minutes and correspondence (emails, phone calls, notes, letters and otherwise) surrounding Kate Forbes's meeting on 25 August 2021 at Ferguson Yard?

* I would like a copy of the minutes, briefings and unofficial notes, emails, phone calls, letters and otherwise of the meeting that took place after the Finance Secretary's visit to Ferguson Marine on August 27? Who attended the meeting? What was it about? What was discussed? Did they discuss the resignation of Hair and Mackenzie?

The information being redacted is personal data, commercially sensitive procurement information and free and frank exchange of views. The information highlighted within the pdf in yellow will be [redacted] properly on release.

Any questions please let me know.

Thanks

[redacted]
[redacted] Strategic Commercial Interventions Division | Scottish Government
Scottish Government | 4th Floor | 5 Atlantic Quay | 150 Broomielaw | Glasgow | G2 8LU
[redacted]@gov.scot ? Tel: [redacted]
I am working from home, contactable by email, on my mobile, and by MS Teams.

Shaded sections indicate key ministerial decisions/key moments.

[redacted]

Figure 1

From: [redacted]

Sent: 27 March 2022 18:27

To: [redacted] ; [redacted] ; Cabinet Secretary for Finance and Economy; First Minister; [redacted]

Cc: [redacted] ; [redacted] ; [redacted] ; [redacted];

[redacted]; Rooney M (Maureen); [redacted]; [redacted]; [redacted]; [redacted]; [redacted];

[redacted]; [redacted]; [redacted]; [redacted]; [redacted]; Pacitti F (Frances); [redacted];

[redacted]; [redacted]; Minister for Business, Trade, Tourism & Enterprise; Cabinet Secretary for Justice and

Veterans; Deputy First Minister and Cabinet Secretary for Covid Recovery; [redacted];

[redacted]; [redacted]; [redacted]; Press Transport Scotland;

[redacted]

Subject: [redacted]

Attachments: Ferries.docx; Fergusons - ministerial decisions timeline.docx; [redacted] Fergusons incl Audit Scotland

ferries report - AS PRINTED.docx; [redacted]

There was a quite few FMQs briefs from Thursday and I've also included the transparency brief as well.

[redacted]

[redacted]

2019

[redacted]

4 July – SG Officials met with CBC to reject alternative structure – state aid and procurement concerns.

[redacted]

Engagement title		Member's Debate: Ferry Procurement
Engagement timing		Date: Wednesday 11 th May 2022 Time: 14:50
Venue and full address		Parliament
Background/Purpose		[redacted]
Motion		S6M-04319: Graham Simpson – Ferry Procurement: That the Parliament believes that the way the Scottish Government has been running ferry services has been a scandal; calls on the Scottish Government to say why it awarded the contract for ferries 801 and 802 to Ferguson Marine Engineering Limited against the advice of its own experts; is concerned about why 15 stage payments were agreed for each ferry; notes concerns that the deal may have broken EU state aid rules; further notes concerns that the lack of documentary evidence to explain the contract award could be in breach of the law; is disappointed that the Scottish Government failed to listen to the experienced workforce who had concerns about the management of the yard; believes that the yard could have survived without the orders for vessels 801 and 802; agrees with the view of the majority of people in Scotland who think that the Scottish National Party administration has done a bad job of running ferries; is concerned that this will contribute to island depopulation, and calls on the Scottish Government to spell out how it plans to run and procure ferry services in the future.
Motion ref. S6M-04319.1 Labour amendment to Motion		[redacted]
Motion ref. S6M-04319.2 Government amendment to motion		[redacted]
Briefing/Lines		[redacted] Annex F - State Aid Accusations [redacted]
Media Handling include mobile number(s)		[redacted]
Official Support include mobile number(s)		[redacted] will be available in case of any queries.

TOP LINES

ANNEX A

[redacted]

ANNEX B

[redacted]

ANNEX C

[redacted]

ANNEX D

FERGUSONS & AUDIT SCOTLAND REPORT

TOP LINES

[redacted]

STATE AID CLAIMS

The loans which Ferguson Marine received from the Scottish Government while in private ownership were state aid compliant and followed the rules for decision making by Ministers when considering investing public funds. [redacted]

[redacted]

INITIAL PROCUREMENT PROCESS AND AUGUST 2015 CONTRACT AWARD

[redacted]

- The contracts for the two ferries were awarded by CMAL to FMEL following a competitive tendering exercise and funded through a commercial loan from Transport Scotland to CMAL, so therefore out with the realms of State aid

[redacted]

ANNEX E

[redacted]

STATE AID ACCUSATIONS RELATING TO SG INTERVENTIONS

8 May, Herald: Concerns raised that Ministers failed to notify the European Union about any of its interventions in companies connected to Scotland's ferry building fiasco. EU Commission not notified of either its involvement in supporting Caledonian Maritime Assets Limited (CMAL) or Ferguson Marine. This revelation sparks concerns that Ministers have been involved in unlawful state aid – having previously been found guilty of illegal interventions involving Scottish airports.

6 Feb, Herald: Reported suggestion that the SG will not recoup £50m in loans and interest given to Prestwick Airport, raising concerns that the SG has “sanctioned unlawful state aid”.

Detailed Herald accusations (8 May):

1. SG did not contact EU about state aid when it provided a £106m special incentive to ensure the contract went to Fergusons after yard unable to offer guarantee. SG was favouring one yard by acting as guarantor – with a crippling cost to the taxpayer.
 - Edward Mountain MSP said: “The SNP’s decision to waive the **Builders Refund Guarantee** has proved extremely costly to the Scottish taxpayer.
 - “Around £80m has been lost from this decision alone and now there are big questions as to whether this arrangement met state aid rules.
 - “Would this special incentive have been offered to the other bidders for the ferry contracts? If not, it would then appear that there was not a level playing field in the tendering process.
2. EU sources confirmed there was no notification of any intervention with Ferguson Marine, either about the award **of £45m loans or the nationalisation**.
 - Ministers claim loans were to provide “working capital and diversify the business” but SG internal documents show the real reason was to stave off administration.
3. The **Competition and Markets Authority** has previously expressed concern about the “potential risks” of state control over the way ferries are operated, run and paid for.

FERRY PROCUREMENT / BUILDERS REFUND GUARANTEE

The contracts for the two ferries were awarded by CMAL to FMEL following a competitive tendering exercise and funded through a commercial loan from Transport Scotland to CMAL, so therefore outwith the realms of State aid

VOTED LOANS

Commercial loans to Ferguson Marine were state aid complaint

- There was no state aid as the arrangements were on fully commercial terms which also meant that there was no requirement to notify the European Commission.

[redacted]

ANNEX G

[redacted]

ANNEX H

[redacted]

ANNEX I

[redacted]

ANNEX J

[redacted]

ANNEX K

[redacted]

ANNEX L

[redacted]

[redacted]

ANNEX M

ANNEX N

[redacted]

ANNEX O

[redacted]

ANNEX P

[redacted]

Ferries debate 11 May 2022 – Top Lines

[redacted]

The deal may have broken EU state aid rules

- There was no State aid involvement in the shipbuilding contracts CMAL awarded to FMEL for the two ferries as they were awarded following a competitive tender and funded by a commercial loan from Scottish Government to CMAL
- Commercial loans made by the Scottish Government to Ferguson Marine were also state aid complaint
- There was no state aid as the loan arrangements were on fully commercial terms which also meant that there was no requirement to notify the European Commission.

[redacted]

From: [redacted] on behalf of Minister for Transport
Sent: 11 May 2022 11:31
To: Gilruth J (Jenny)
Subject: FW: 1450-1600 Conservative Party Business: Net Zero, Energy and Transport - 11052022
Attachments: FMEL - Top line defensive brief for debate - 11 May 2022 - Formatted.docx; [redacted]; Ferries Unit - Ministerial - Debate Briefing Pack - Ferry Procurement - 11 May 2022 0930.docx; [redacted]

Hi,

Please see attached additional lines further to earlier updated briefing/speech. I have reattached these for ease.

Thanks
[redacted]

[redacted] | Private Secretary to the Minister for Transport – Jenny Gilruth
The Scottish Government | St Andrew's House, Edinburgh, EH1 3DG |
Mobile: [redacted] | Email: MinisterFT@gov.scot

Ministerial Preferences - Jenny Gilruth - Minister for Transport

All e-mails and attachments sent by a Ministerial Private Office to any other official on behalf of a Minister relating to a decision, request or comment made by a Minister, or a note of a Ministerial meeting, must be filed appropriately by the recipient. Private Offices do not keep official records of such e-mails or attachments.

Scottish Ministers, Special advisers and the Permanent Secretary are covered by the terms of the Lobbying (Scotland) Act 2016. See www.lobbying.scot

[redacted]

From: [redacted]@gov.scot> On Behalf Of Minister for Transport
Sent: 11 May 2022 08:57
To: [redacted]@gov.scot>; [redacted]@transport.gov.scot>; Minister for Transport <MinisterFT@gov.scot>; Minister for Business, Trade, Tourism & Enterprise <MinisterBTTE@gov.scot>; [redacted]@gov.scot>; [redacted]@transport.gov.scot>; Cabinet Secretary for Finance and Economy <CabSecFE@gov.scot>; [redacted]@gov.scot>; Rooney M (Maureen) <Maureen.Rooney@gov.scot>; Pacitti F (Frances) <Frances.Pacitti@transport.gov.scot>; [redacted]@transport.gov.scot>; [redacted]@transport.gov.scot>
Cc: Aitken R (Reuben) <Reuben.Aitken@gov.scot>; DG Economy <DGEconomy@gov.scot>; [redacted]@gov.scot>; [redacted]@gov.scot>; Pearce H (Hilary) <Hilary.Pearce@gov.scot>; [redacted]@gov.scot>; [redacted]@gov.scot>; [redacted]@gov.scot>; Cabinet Secretary for Net Zero, Energy and Transport <CabSecNetZET@gov.scot>; Minister for Parliamentary Business <MinisterPB@gov.scot>; Chief Executive Transport Scotland <ceo@transport.gov.scot>; DG Net

Zero <DGNetZero@gov.scot>;[redacted]@transport.gov.scot>
Subject: RE: 1450-1600 Conservative Party Business: Net Zero, Energy and Transport - 11052022

Hi [redacted]

In addition to the below, please could officials ensure that Ms Gilruth has lines on all of the opposition amendment's claims:

[redacted]?

Did the deal 'break' EU state aid rules?

[redacted]

Many thanks,
[redacted]

[redacted] Deputy Private Secretary to the Minister for Transport – Jenny Gilruth
The Scottish Government | St Andrew's House, Edinburgh, EH1 3DG
Email: MinisterFT@gov.scot

All e-mails and attachments sent by a Ministerial Private Office to any other official on behalf of a Minister relating to a decision, request or comment made by a Minister, or a note of a Ministerial meeting, must be filed appropriately by the recipient. Private Offices do not keep official records of such e-mails or attachments.

Scottish Ministers, Special advisers and the Permanent Secretary are covered by the terms of the Lobbying (Scotland) Act 2016. See www.lobbying.scot

[redacted]

From: [redacted]@transport.gov.scot>
Sent: 10 May 2022 20:34
To: Minister for Transport <MinisterFT@gov.scot>; Minister for Business, Trade, Tourism & Enterprise <MinisterBTTE@gov.scot>; [redacted]@gov.scot>; [redacted]@transport.gov.scot>; Cabinet Secretary for Finance and Economy <CabSecFE@gov.scot>; [redacted]@gov.scot>; Rooney M (Maureen) <Maureen.Rooney@gov.scot>; Pacitti F (Frances) <Frances.Pacitti@transport.gov.scot>; [redacted]@transport.gov.scot>; [redacted]@transport.gov.scot>
Cc: Aitken R (Reuben) <Reuben.Aitken@gov.scot>; DG Economy <DGEconomy@gov.scot> [redacted]@gov.scot>; [redacted]@gov.scot>; Pearce H (Hilary) <Hilary.Pearce@gov.scot>; [redacted]@gov.scot>; [redacted]@gov.scot>; [redacted]@gov.scot>; [redacted]@gov.scot>; Cabinet Secretary for Net Zero, Energy and Transport <CabSecNetZET@gov.scot>; Minister for Parliamentary Business <MinisterPB@gov.scot>; Chief Executive Transport Scotland <ceo@transport.gov.scot>; DG Net Zero <DGNetZero@gov.scot>

Subject: RE: 1450-1600 Conservative Party Business: Net Zero, Energy and Transport - 11052022

Thanks [redacted]

[redacted]

We are also planning to reorder the annexes to bring the more likely topics to the fore and strip out some others (e.g. Subsidy control Bill general points to come out but specific rebuttal of State Aid issues to remain).

We will get this as soon as possible in the morning along with any amendments in the speeches.

Let me know if you need anything further this evening.

[redacted]

[redacted]

Head Of Ferries Branch

[redacted]

[redacted]

From: [redacted]

Sent: 06 May 2022 17:10

To: Cabinet Secretary for Finance and Economy

Cc: [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted]

; [redacted]; [redacted]; Press Transport Scotland; [redacted]; [redacted]; Rooney M (Maureen);

[redacted]; [redacted]; [redacted]; Communications Finance & Economy;

[redacted]

Subject: For clearance: Media query - Fergusons state aid - Herald

Cabinet Secretary, PO.

Please see for clearance a draft response to a media query around allegations that loans to Fergusons constituted illegal state aid under EU rules.

Officials and SpAds have reviewed.

Grateful for an indication of whether the Cabinet Secretary is content.

Best wishes.

[redacted]

Draft response

A Scottish Government spokesperson said:

[redacted]

Background

The Scottish Public Finance Manual sets out the considerations and decision-making process undertaken by Ministers when considering investing public funds.

Media query

Seeking SG response to a couple of stories.

Concerns surface after it emerged that SG failed to notify the European Union about any of its interventions in companies connected to Scotland's ferry building fiasco. Been confirmed that EU was not notified of either its involvement in supporting Caledonian Maritime Assets Limited (CMAL), the Scottish Government-controlled firm that owns and procures CalMac's ferries or shipbuilding firm Ferguson Marine. The development has prompted new concerns that ministers have been involved in unlawful state aid - having previously been found guilty of illegal interventions involving Scottish airports.

It has been confirmed that ministers did not contact the EU about potential state aid when it stepped in to provide a £106m special incentive to ensure that a ferry contract went to Jim McColl-led Ferguson Marine three years previously - after it was unable to provide the guarantees.

It resulted in taxpayers losing £80m when Ferguson Marine went into administration, as CMAL says the loans were eliminated. The ferry owners would have expected to have been paid off over 25 years by CMAL using revenue from the lease of vessels like the

ferry fleet of state-controlled ferry operator CalMac and harbour access charges. In the seven years since the contract was awarded, the Ferguson's yard has been nationalised by the Scottish Government after it fell into administration while the estimated delivery of two lifeline vessels has been pushed back by at least five years, along with an increase in costs to at least £250 million.

EU sources have also confirmed that there was no notification of any intervention with Ferguson Marine, either about the award of £45m loans or its state intervention in nationalising the Inverclyde shipyard firm.

Under EU rules, member-state governments are required to notify the European Commission – which is in charge of treaty compliance – about proposed state aid moves.

The intent of state aid rules is to avoid financial assistance given by a government that favours a certain company or commercial group and has the potential to distort market competition.

Highlands and Islands MSP Edward Mountain, the former convenor of the rural economy and connectivity committee which branded the procurement of the two new ferries a "catastrophic failure" called for a public inquiry, saying there were "big questions" over whether ministers were complying with state aid rules, adding that he was "not surprised the SNP government continues to face allegations of corruption". The ministerial deal was set up to ensure the contract for two ferries was given to Ferguson Marine to reassure the ship owners who had "severe misgivings" over the yard's inability to provide financial guarantees were not out of pocket if anything went wrong.

It came with a crucial pledge that they would not have to repay anything until after the vessels had been delivered.

And they promised other public funding to cover other performance risks to ensure it did not lose out and further money to meet any debts to ensure CMAL remained in existence.

It has been suggested that the financial support flouted EU Market Economy Operator Principle rules and is unlawful state aid - as the Scottish Government was favouring one yard by acting as guarantor - with a crippling cost to the taxpayer.

Before ministers stepped in in October, 2015, CMAL chairman Erik Østergaard told ministers that the best option was to "bin" Ferguson Marine - which had been chosen as the preferred bidder - and start the tender process from scratch on the basis of its initial contract requirements, which was to have full builders' refund guarantees.

Some procurement experts have told the Herald on Sunday that the failure to go through the process again left CMAL open to legal action from those who had sought the contract but lost out to Ferguson Marine.

An internal Scottish Government memo sent to Mr Mackay, who was then transport minister warned: "In addition to the financial risks, absence of a full refund guarantee in the final contract represent a considerable departure from the advertised contract terms and may rise significant procurement risks.

"In the case of a challenge, CMAL would robustly defend their position on the basis of the legal advice they have received and the steps they have taken to bring the final contract clauses into broad comparability with the tender specification."

Before Ferguson Marine's collapse and the subsequent state takeover, ministers issued two commercial loans worth £45m to the shipyard firm.

Just last month, finance secretary Kate Forbes was still insisting that the £45m, delivered in two tranches in 2017 and 2018 was put up to "support the business with working capital and business diversification".

Then finance secretary Derek Mackay used a similar line when telling the public about the 2018 £30m loan that it was "to further diversify their business".

But internal documents have shown that the real reason was that Ferguson's was in

financial trouble and at risk of falling into administration.

A confidential memo about the "urgent" loan from Mary McAllan, director of economic development, to Mr Mackay said that Ferguson Marine required the funding "immediately if severe cost-cutting measures and further significant delays to the CMAL order are to be avoided".

Without access to the further finance Ferguson Marine's next planned step was to issue redundancy notices to the bulk of the core staff at the yard – around 230 from a total headcount of 280, she said. Administration was "a real risk".

Her memo reveals the £30m due to be paid back in ten years came with it a "right to buy" if the company fell into insolvency.

The EU has refused to comment on the Ferguson Marine and CMAL case, but confirmed the Commission remains the competent authority for any state aid granted prior to the end of the transition period on December 31, 2020.

If a state aid investigation was launched and found proven, the commission could ultimately demand the recovery of money.

The Competition and Markets Authority has previously expressed concern about the "potential risks" of state control over the way ferries are operated, run and paid for.

Edward Mountain MSP said: "The SNP's decision to waive the Builders Refund Guarantee has proved extremely costly to the Scottish taxpayer.

"Around £80m has been lost from this decision alone and now there are big questions as to whether this arrangement met state aid rules.

"Would this special incentive have been offered to the other bidders for the ferry contracts? If not, it would then appear that there was not a level playing field in the tendering process.

"The questions continue to mount up and I am not surprised that this SNP Government continues to face allegations of corruption.

"We've had two damning reports about the SNP's ferry failures, one from the REC Committee and one from Audit Scotland. However, to uncover the full extent of this ongoing scandal we now need a full public inquiry."

[redacted]

| News: Finance and the Economy

The Scottish Government, St Andrew's House, Edinburgh

[redacted]

[redacted]

28 Apr: Scotsman quotes from unredacted EY advice to SG from 2016 noting state and other risks relating to the proposed Lochaber guarantee

[redacted]

[redacted]

EY REPORT COMMENTARY ON STATE AID

The Lochaber guarantee is compliant with EU state aid rules and was approved by the Scottish Parliament's Finance and Constitution Committee.

- EY are crystal clear that the fee charged to GFG is on market terms and the transaction overall is state aid compliant.
- **[QUOTE]** EY's Final Report dated 15 December 2016 in the '*Key Findings*' section on pages 3 to 5 says:
 - "...based upon work performed to date that there is: A guarantee fee which works on a market basis; The basis of a robust security and undertakings package; MEIP (Market Economy Investor Principle) and State Aid compliance"
 - "Based on our analysis, the overall transaction is based on commercial principles and a market-oriented fee will be charged by ScotGov for the guarantee".
- These findings were available for everyone to see, as far back as 8 July 2019.

[redacted]

What	Meeting with Liam McArthur MSP				
Where	[redacted]				
When	[redacted]				
Key Message(s)	[redacted]				
Who	Liam McArthur MSP				
Why	[redacted]				
Supporting official	[redacted] [redacted] [redacted]				
Briefing contents	[redacted]				
Media Handling	[redacted]				
Social Media	n/a				
Dress code	n/a				
Greeting Party and specific meeting point on arrival (if event is at a non SE Building)	n/a				
Copy list		For Action	For Comments	For Information	
				Portfolio Interest	Constit Interest
				General Interest	
Minister for Transport				X X	

<i>Cabinet Secretary for Net Zero</i> [redacted] [redacted] [redacted] [redacted]						X X X X

- [redacted]
- [redacted]

[redacted]

From: [redacted]
[redacted]
10 March 2022

To: Minister for Public Finance, Planning and Community Wealth
Cabinet Secretary for Finance and Economy

SUBSIDY CONTROL - RETAIL, HOSPITALITY AND LEISURE RELIEF 2022-23

Purpose

1. To update Ministers on the subsidy control treatment for Retail, Hospitality and Leisure Relief in 2022-23.

Priority

2. Routine.

Background

3. In 2020-21 and 2021-22, retail, hospitality and leisure (RHL) relief did not amount to state aid/subsidy, in Scotland or England. This meant there was no cap on the relief offered, nor did the relief contribute to any threshold of total support received (e.g. minimal financial assistance of 325,000 special drawing rights (approximately £335,000) over three fiscal years - established by the EU-UK Trade and Cooperation Agreement).
4. In 2021-22, although the UK Government introduced cash caps for their RHL relief, their published guidance to local authorities did not mention subsidy control regime constraints. Officials later confirmed that the relief was not capped by the minimum financial assistance (325,000 special drawing rights over three fiscal years), or by any other temporary framework cap.
5. The position in Scotland in 2021-22 was also that the RHL relief should not be a capped subsidy. The Scottish Government published its annual non-statutory NDR relief guidance to that effect.
6. The fact that there was consistency in the state aid/subsidy approaches across the UK for 2020-21 and 2021-22, meant that the approach was less at risk of challenge.

[redacted]

[redacted]

Copy List:	For Action	For Comments	For Information		
			Portfolio Interest	Constit Interest	General Awareness
Minister for Public Finance, Planning and Community Wealth	X				
Cabinet Secretary for Finance and Economy	X				

DG Communities
Director for Communities and Local Government
[redacted]

Cabinet Secretary for Finance and the Economy

Cc Minister for Business, Trade, Tourism and Enterprise

COVID –BUSINESS SUPPORT FUNDS – SUBSIDY CONTROL

Purpose

1. This submission asks you to:

[redacted]

- Agree not to align with EU State aid rules in order to provide this higher payment threshold.

[redacted]

[redacted]

- We therefore propose to register a further scheme for very large national businesses that allows us to set an addition threshold of the higher amount. In providing this higher payment threshold we will align with the UK Government scheme but will not be aligning with EU State aid rules.

Recommendation:

[redacted]

- Agree not to align with EU State aid rules in order to provide this higher payment threshold.

[redacted]

[redacted]

Covid Business Resilience and Support
2 February 2022

Copy List:	For Actio n	For Comm ents	For Information		
			Portf olio Inter est	Cons tit Inter est	General Awaren ess
Minister for Business, Trade, Tourism and Enterprise			x		

DG Economy
Reuben Aitken
John Paul Liddle

[redacted]

Comms Finance and Economy

FM Policy Team

[redacted]

6 Feb: Herald reported suggestion that the SG will not recoup £50m in loans and interest given to Prestwick Airport, raising concerns that the SG has “*sanctioned unlawful state aid*”.

[redacted]

[redacted]

Trade and Cooperation with the EU: Actions to Support Scotland's Economy

March 2022

www.scdi.org.uk

About us

SCDI is Scotland's Economic and Social Forum. We are an independent and inclusive economic development network representing all sectors and all geographies of the Scottish economy. Our mission is to convene our members, partners, and stakeholders across the private, public and third sectors to deliver inclusive and sustainable economic growth.

For more information on this report, please contact the SCDI Policy Team:

[redacted]

- Uncertainty about the UK Subsidy Control Bill to replace the EU state aid regime and the UK and Scottish governments' plans for public subsidies e.g. public investment in infrastructure for offshore renewables developments, such as ports and harbours

[redacted]

From: **[redacted]**@scdi.org.uk>
Sent: 28 April 2022 10:57
To: Cabinet Secretary for Finance and Economy
Subject: SCDI paper on UK/EU TCA
Attachments: **[redacted]** SCDI Report - Trade and Cooperation
with the EU - Actions to support Scotland's Economy.pdf

Dear Sir/Madam,

I am writing to you from the Scottish Council for Development and Industry (SCDI) on behalf of our Chair, **[redacted]**.

Please find attached **[redacted]** report titled "Trade and Cooperation with the EU: Actions to Support Scotland's Economy" for the attention of the Cabinet Secretary's office. **[redacted]**

[redacted].

Yours sincerely,

[redacted] Policy Manager
SCDI Scottish Council for Development and Industry | SCDI
[redacted]
Brunswick House, 51 Wilson Street, Glasgow, G1 1UZ

www.scdi.org.uk
@SCDInews

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The Scottish Council for Development and Industry is a company incorporated in Scotland (company number SC024724) and limited by guarantee, having its registered office at 1 Cadogan Square, Cadogan Street, Glasgow G2 7HF

From: [redacted]

Sent: 28 February 2022 10:01

To: Cabinet Secretary for Finance and Economy

Cc: Cabinet Secretary for Net Zero, Energy and Transport; Minister for Transport; Minister for Business, Trade, Tourism & Enterprise; Permanent Secretary; DG Economy; DG Net Zero; Aitken R

(Reuben); Rooney M (Maureen); [redacted]; [redacted]; [redacted];

[redacted]; Pacitti F (Frances); [redacted]; [redacted]; [redacted]; [redacted]; [redacted];

[redacted]; [redacted]; [redacted]; [redacted]

Subject: Ministerial Submission - Ferguson Marine Framework Document - 28 February 2022

Attachments: [redacted]; SCID - Ferguson Marine - Framework Document - 22 February 2022.docx

PS/Cabinet Secretary for Finance and Economy

Please find attached a submission seeking your approval of the Framework Document between the Scottish Government (SG) and Ferguson Marine (Port Glasgow) Limited (FMPG). Annex A (the Framework Document) is attached as a separate document.

Many thanks

[redacted]

—

[redacted]

Strategic Commercial Interventions Division

The Scottish Government

4th floor, 5 Atlantic Quay

150 Broomielaw, Glasgow, G2 8LU

[redacted]

I am working from home, contactable by email, on my mobile, and on Teams.

FERGUSON MARINE (PORT GLASGOW) LIMITED FRAMEWORK DOCUMENT

[redacted]

State aid

1. The EU State aid regime was effectively revoked from UK law from 1 January 2021 [redacted]

Third party grants

2. Unless covered by a specific delegated authority FMPG shall not, without the Scottish Governments' prior agreement, provide grant funding to a third party. Such funding would be subject to the guidance in the [State Aid](#) section of the SPFM. Guidance on a framework for the control of third party grants is provided as an [annex](#) to the Grant & Grant in Aid section of the SPFM.

[redacted]

Engagement Title	Statement to Parliament – Update on Ferguson Marine
When	Wednesday 23 March 2022 14:50-15:20
Why	Opportunity to update Parliament on the current position of Ferguson Marine shipyard and delivery of the two ferries under construction. In addition, a chance to cover some of the points raised in the report on the arrangements to deliver the ferries, published 23 March by Audit Scotland.
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	<ul style="list-style-type: none"> [redacted]

[redacted]
[redacted]
[redacted]
[redacted]
[redacted]

[redacted]
4 July – SG Officials met with CBC to reject alternative structure – state aid and procurement concerns.

[redacted]
[redacted]
[redacted]
[redacted]
[redacted]
[redacted]
[redacted]
[redacted]

[redacted]
[redacted]
[redacted]
[redacted]
[redacted]

[redacted]

TOP

LINES

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

- The updated understanding of the application of State aid rules here does not have any effect on Liberty's current ownership or operation of the plants.

[redacted]

From: [redacted]
Sent: 10 May 2022 17:43
To: Cabinet Secretary for Finance and Economy
Cc: Minister for Business, Trade, Tourism & Enterprise; Minister for Transport; [redacted];
[redacted]; [redacted]; [redacted]; [redacted];
[redacted]; [redacted]; Rooney M (Maureen); [redacted]; [redacted];
[redacted]; Pacitti F (Frances); [redacted]; Communications Finance & Economy;
News Desk; [redacted]; [redacted]; [redacted]
Subject: TO CLEAR: PA, Express, STV, Global - Conservative release on ferries debate

[redacted]

Thanks,
[redacted]

[redacted]

[redacted]
News: Finance and the Economy
The Scottish Government, St Andrew's House, Edinburgh
[redacted]

Subject: Time to finally come clean on ferries scandal
To:
Time to finally come clean on ferries scandal
Scottish Conservative and Unionist Party press office
Tuesday, 10 May, 2022
FAO: all newsdesks
Embargo: 00.01 Wednesday 11 May
[redacted]

The motion being brought forward by the Scottish Conservatives is as follows:
*S6M-04319 Graham Simpson: Ferry Procurement—That the Parliament believes that the way the Scottish Government has been running ferry services has been a scandal; calls on the Scottish Government to say why it awarded the contract for ferries 801 and 802 to Ferguson Marine Engineering Limited against the advice of its own experts; is concerned about why 15 stage payments were agreed for each ferry; notes concerns that the deal may have broken EU state aid rules; further notes concerns that the lack of documentary evidence to explain the contract award could be in breach of the law; is disappointed that the Scottish Government failed to listen to the experienced workforce who had concerns about the management of the yard; believes that the yard could have survived without the orders for vessels 801 and 802; agrees with the view of the majority of people in Scotland who think that the Scottish National Party administration has done a bad job of running ferries; is concerned that this will contribute to island depopulation, and calls on the Scottish Government to spell out how it plans to run and procure ferry services in the future.
ENDS

ALL LINES AS AT 2 MARCH UNLESS OTHERWISE STATED

[redacted]

- [redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

UK Subsidy Control Regime

- [redacted]
- To commit to certain proposed subsidy principles within the UK Bill being disapplied for the Scottish agricultural sector. Those devolved agricultural subsidies were exempt under EU state aid rules and are already regulated in the UK.

[redacted].

UK Subsidy Control Regime - The UK Bill applies to agricultural subsidies, which are devolved. Those subsidies were exempt from the EU state aid rules that the Bill aims to replace, and are already regulated in the UK under the WTO agreement on agriculture. [redacted]

[redacted]

From: **[redacted]**

Sent: 02 March 2022 18:42

To: Cabinet Secretary for Finance and Economy

Cc: Deputy First Minister and Cabinet Secretary for Covid Recovery; Cabinet Secretary for Rural

Affairs and Islands; Minister for Green Skills, Circular Economy and Biodiversity; Minister for Just Transition, Employment & Fair Work; Minister for Business, Trade, Tourism & Enterprise; Minister for

HE, FE, Youth Employment and Training; Minister for Public Finance, Planning & Community Wealth;

Cabinet Secretary for Net Zero, Energy and Transport; Minister for Transport; Minister for Social Security

and Local Government; ; **[redacted]**; Reid A (Adam); Chief Financial Officer; Economy

[redacted]; **[redacted]**; **[redacted]****[redacted]**; **[redacted]**; **[redacted]**; **[redacted]**; **[redacted]**;

Rennie M

(Michelle); **[redacted]**; **[redacted]**; **[redacted]**; **[redacted]**;

[redacted]; **[redacted]**; DL for DG Economy Directors; **[redacted]**; **[redacted]**; **[redacted]**;

[redacted]; **[redacted]**; **[redacted]**;

[redacted]; **[redacted]**; DG Economy; Hackett R (Rebecca); Mitchell E (Elinor)

Subject: Economy Top lines 2 March 2022

Attachments: Top Lines Narrative 02.03.22.docx

Cab Sec/PO Economy,

Please see an updated top lines narrative document. **[redacted]**

[redacted]

As ever, we welcome any further comments or feedback.

Also copying to Economy Ministers for awareness.

Many thanks,

[redacted]

Senior Communications Officer, Economic Policy & Capability Division

OCEA

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

UK Subsidy Control Regime

- [redacted].
- To commit to certain proposed subsidy principles within the UK Bill being disapplied for the Scottish agricultural sector. Those devolved agricultural subsidies were exempt under EU state aid rules and are already regulated in the UK.

[redacted]

UK Subsidy Control Regime - The UK Bill applies to agricultural subsidies, which are devolved. Those subsidies were exempt from the EU state aid rules that the Bill aims to replace, and are already regulated in the UK under the WTO agreement on agriculture. [redacted]

[redacted]

From: **[redacted]**
Sent: 09 March 2022 17:52
To: Cabinet Secretary for Finance and Economy
Cc: Deputy First Minister and Cabinet Secretary for Covid Recovery; Cabinet Secretary for Rural Affairs and Islands; Minister for Green Skills, Circular Economy and Biodiversity; Minister for Just Transition, Employment & Fair Work; Minister for Business, Trade, Tourism & Enterprise; Minister for HE, FE, Youth Employment and Training; Minister for Public Finance, Planning & Community Wealth; Cabinet Secretary for Net Zero, Energy and Transport; Minister for Transport; Minister for Social Security and Local Government; ; **[redacted]**; Reid A (Adam); Chief Financial Officer; Economy **[redacted]**; **[redacted]**; **[redacted]****[redacted]**; **[redacted]**; **[redacted]**; **[redacted]**; **[redacted]**; Rennie M (Michelle); **[redacted]**; **[redacted]**; **[redacted]**; **[redacted]**; **[redacted]**; **[redacted]**; DL for DG Economy Directors; **[redacted]**; **[redacted]**; **[redacted]**; **[redacted]**; **[redacted]**; DG Economy; Hackett R (Rebecca); Mitchell E (Elinor)
Subject: Economy Top lines 9 March 2022
Attachments: Top Lines Narrative 09.03.22.docx

Cab Sec/PO Economy,

Please see an updated top lines narrative document. **[redacted]**

As ever, we welcome any further comments or feedback.

Also copying to Economy Ministers for awareness.

Many thanks,

[redacted]
Senior Communications Officer, Economic Policy & Capability Division
OCEA
[redacted]

ALL LINES AS AT 11 MAY UNLESS OTHERWISE STATED

[redacted]

UK Subsidy Control Regime - The UK Subsidy Control Act 2022 applies to agricultural subsidies, which are devolved. Those subsidies were exempt from the EU state aid rules that the Act aims to replace and are already regulated in the UK under the WTO agreement on agriculture

[redacted]

From: [redacted]

Sent: 11 May 2022 17:37

To: Cabinet Secretary for Finance and Economy

Cc: Deputy First Minister and Cabinet Secretary for Covid Recovery; Cabinet Secretary for Rural

Affairs and Islands; Minister for Green Skills, Circular Economy and Biodiversity; Minister for Just Transition, Employment & Fair Work; Minister for Business, Trade, Tourism & Enterprise; Minister for

HE, FE, Youth Employment and Training; Minister for Public Finance, Planning & Community Wealth;

Cabinet Secretary for Net Zero, Energy and Transport; Minister for Transport; Minister for Social Security

and Local Government; [redacted]; Reid A (Adam); Chief Financial Officer; Economy

[redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; Rennie M

(Michelle); [redacted]; [redacted]; [redacted]; [redacted];

[redacted]; [redacted]; DL for DG Economy Directors; [redacted]; [redacted]; [redacted];

[redacted]; [redacted]; [redacted];

[redacted]; [redacted]; DG Economy; Hackett R (Rebecca); [redacted]; Macdonald L (Louise)

Subject: Economy Top Lines 11 May 2022

Attachments: Top Lines Narrative 11 May.docx

Cab Sec/PO Economy,

Please see an updated top lines narrative document.

As ever, we welcome any further comments or feedback.

Also copying to Economy Ministers for awareness.

Many thanks,

[redacted]

Senior Communications Officer, Economic Policy & Capability Division

OCEA

[redacted]

[redacted]

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[redacted]

[redacted]

[redacted]

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[redacted]

UK Subsidy Control Regime

- [redacted]
- To commit to certain proposed subsidy principles within the UK Bill being disapplied for the Scottish agricultural sector. Those devolved agricultural subsidies were exempt under EU state aid rules and are already regulated in the UK.

[redacted]

UK Subsidy Control Regime - The UK Bill applies to agricultural subsidies, which are devolved. Those subsidies were exempt from the EU state aid rules that the Bill aims to replace, and are already regulated in the UK under the WTO agreement on agriculture. [redacted]

[redacted]

From: [redacted]
Sent: 13 April 2022 17:30
To: Cabinet Secretary for Finance and Economy
Cc: Deputy First Minister and Cabinet Secretary for Covid Recovery; Cabinet Secretary for Rural Affairs and Islands; Minister for Green Skills, Circular Economy and Biodiversity; Minister for Just Transition, Employment & Fair Work; Minister for Business, Trade, Tourism & Enterprise; Minister for HE, FE, Youth Employment and Training; Minister for Public Finance, Planning & Community Wealth; Cabinet Secretary for Net Zero, Energy and Transport; Minister for Transport; Minister for Social Security and Local Government; [redacted]; Reid A (Adam); Chief Financial Officer; Economy [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; Rennie M (Michelle); [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; DL for DG Economy Directors; [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; DG Economy; Hackett R (Rebecca); Mitchell E (Elinor); Grisewood A (Aidan)
Subject: Economy Top lines 14 April 2022
Attachments: Top Lines Narrative 13.4.22.docx

Cab Sec/PO Economy,

Please see an updated top lines narrative document. [redacted]

As ever, we welcome any further comments or feedback.

Also copying to Economy Ministers for awareness.

Many thanks,

[redacted]
Senior Communications Officer, Economic Policy & Capability Division
OCEA
[redacted]

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[redacted]

UK Subsidy Control Regime

- [redacted]
- To commit to certain proposed subsidy principles within the UK Bill being disapplied for the Scottish agricultural sector. Those devolved agricultural subsidies were exempt under EU state aid rules and are already regulated in the UK.

[redacted]

UK Subsidy Control Regime - The UK Bill applies to agricultural subsidies, which are devolved. Those subsidies were exempt from the EU state aid rules that the Bill aims to replace, and are already regulated in the UK under the WTO agreement on agriculture. [redacted].

[redacted]

From: **[redacted]**

Sent: 16 March 2022 17:00

To: Cabinet Secretary for Finance and Economy

Cc: Deputy First Minister and Cabinet Secretary for Covid Recovery; Cabinet Secretary for Rural

Affairs and Islands; Minister for Green Skills, Circular Economy and Biodiversity; Minister for Just Transition, Employment & Fair Work; Minister for Business, Trade, Tourism & Enterprise; Minister for

HE, FE, Youth Employment and Training; Minister for Public Finance, Planning & Community Wealth;

Cabinet Secretary for Net Zero, Energy and Transport; Minister for Transport; Minister for Social Security

and Local Government; ; **[redacted]**; Reid A (Adam); Chief Financial Officer; Economy

[redacted]; **[redacted]**; **[redacted]****[redacted]**; **[redacted]**; **[redacted]**; **[redacted]**; **[redacted]**;

Rennie M

(Michelle); **[redacted]**; **[redacted]**; **[redacted]**; **[redacted]**;

[redacted]; **[redacted]**; DL for DG Economy Directors; **[redacted]**; **[redacted]**; **[redacted]**;

[redacted]; **[redacted]**; **[redacted]**;

[redacted]; **[redacted]**; DG Economy; Hackett R (Rebecca); Mitchell E (Elinor)

Subject: Economy Top lines 9 March 2022

Attachments: Top Lines Narrative 16.03.22.docx

Cab Sec/PO Economy,

Please see an updated top lines narrative document. **[redacted]**

As ever, we welcome any further comments or feedback.

Also copying to Economy Ministers for awareness.

Many thanks,

[redacted]

Senior Communications Officer, Economic Policy & Capability Division

OCEA

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[redacted]
UK Subsidy Control Regime

- [redacted]
- To commit to certain proposed subsidy principles within the UK Bill being disallowed for the Scottish agricultural sector. Those devolved agricultural subsidies were exempt under EU state aid rules and are already regulated in the UK.

[redacted]
UK Subsidy Control Regime - The UK Bill applies to agricultural subsidies, which are devolved. Those subsidies were exempt from the EU state aid rules that the Bill aims to replace, and are already regulated in the UK under the WTO agreement on agriculture. [redacted]

[redacted]

From: **[redacted]**
Sent: 23 February 2022 16:18
To: Cabinet Secretary for Finance and Economy
Cc: Deputy First Minister and Cabinet Secretary for Covid Recovery; Cabinet Secretary for Rural Affairs and Islands; Minister for Green Skills, Circular Economy and Biodiversity; Minister for Just Transition, Employment & Fair Work; Minister for Business, Trade, Tourism & Enterprise; Minister for HE, FE, Youth Employment and Training; Minister for Public Finance, Planning & Community Wealth; Cabinet Secretary for Net Zero, Energy and Transport; Minister for Transport; Minister for Social Security and Local Government; ; **[redacted]**; Reid A (Adam); Chief Financial Officer; Economy **[redacted]**; **[redacted]**; **[redacted]****[redacted]**; **[redacted]**; **[redacted]**; **[redacted]**; **[redacted]**; Rennie M (Michelle); **[redacted]**; **[redacted]**; **[redacted]**; **[redacted]**; **[redacted]**; **[redacted]**; DL for DG Economy Directors; **[redacted]**; **[redacted]**; **[redacted]**; **[redacted]**; **[redacted]**; DG Economy; Hackett R (Rebecca); Mitchell E (Elinor)
Subject: Economy Top lines 23 February 2022
Attachments: Top Lines Narrative 23.02.22.docx

Cab Sec/PO Economy,

Please see an updated top lines narrative document. These have been updated to reflect the current position in regards to restrictions and the latest data.

As ever, we welcome any further comments or feedback.

Also copying to Economy Ministers for awareness.

Many thanks

[redacted]
Senior Communications Officer, Economic Policy & Capability Division
OCEA
[redacted]

ALL LINES AS AT 23 MARCH UNLESS OTHERWISE STATED

[redacted]

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[redacted]

UK Subsidy Control Regime

- [redacted]
- To commit to certain proposed subsidy principles within the UK Bill being disapplied for the Scottish agricultural sector. Those devolved agricultural subsidies were exempt under EU state aid rules and are already regulated in the UK.

[redacted]

UK Subsidy Control Regime - The UK Bill applies to agricultural subsidies, which are devolved. Those subsidies were exempt from the EU state aid rules that the Bill aims to replace, and are already regulated in the UK under the WTO agreement on agriculture. [redacted]

[redacted]

From: **[redacted]**
Sent: 23 March 2022 17:33
To: Cabinet Secretary for Finance and Economy
Cc: Deputy First Minister and Cabinet Secretary for Covid Recovery; Cabinet Secretary for Rural Affairs and Islands; Minister for Green Skills, Circular Economy and Biodiversity; Minister for Just Transition, Employment & Fair Work; Minister for Business, Trade, Tourism & Enterprise; Minister for HE, FE, Youth Employment and Training; Minister for Public Finance, Planning & Community Wealth; Cabinet Secretary for Net Zero, Energy and Transport; Minister for Transport; Minister for Social Security and Local Government; ; **[redacted]**; Reid A (Adam); Chief Financial Officer; Economy **[redacted]**; **[redacted]**; **[redacted]****[redacted]**; **[redacted]**; **[redacted]**; **[redacted]**; **[redacted]**; Rennie M (Michelle); **[redacted]**; **[redacted]**; **[redacted]**; **[redacted]**; **[redacted]**; **[redacted]**; DL for DG Economy Directors; **[redacted]**; **[redacted]**; **[redacted]**; **[redacted]**; **[redacted]**; DG Economy; Hackett R (Rebecca); Mitchell E (Elinor); Grisewood A (Aidan)
Subject: Economy Top lines 23 March 2022
Attachments: Top Lines Narrative 23.03.22.docx

Cab Sec/PO Economy,

Please see an updated top lines narrative document. **[redacted]**

As ever, we welcome any further comments or feedback.

Also copying to Economy Ministers for awareness.

Many thanks,

[redacted]
Senior Communications Officer, Economic Policy & Capability Division
OCEA
[redacted]

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[redacted]

[redacted]

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[redacted]

UK Subsidy Control Regime

- [redacted]
- To commit to certain proposed subsidy principles within the UK Bill being disapplied for the Scottish agricultural sector. Those devolved agricultural subsidies were exempt under EU state aid rules and are already regulated in the UK.

[redacted]

UK Subsidy Control Regime - The UK Bill applies to agricultural subsidies, which are devolved. Those subsidies were exempt from the EU state aid rules that the Bill aims to replace, and are already regulated in the UK under the WTO agreement on agriculture. [redacted]

[redacted]

From: **[redacted]**

Sent: 27 April 2022 15:25

To: Cabinet Secretary for Finance and Economy

Cc: Deputy First Minister and Cabinet Secretary for Covid Recovery; Cabinet Secretary for Rural

Affairs and Islands; Minister for Green Skills, Circular Economy and Biodiversity; Minister for Just Transition, Employment & Fair Work; Minister for Business, Trade, Tourism & Enterprise; Minister for

HE, FE, Youth Employment and Training; Minister for Public Finance, Planning & Community Wealth;

Cabinet Secretary for Net Zero, Energy and Transport; Minister for Transport; Minister for Social Security

and Local Government; **[redacted]**; Reid A (Adam); Chief Financial Officer; Economy

[redacted]; **[redacted]**; **[redacted]****[redacted]**; **[redacted]**; **[redacted]**; **[redacted]**; **[redacted]**;

Rennie M

(Michelle); **[redacted]**; **[redacted]**; **[redacted]**; **[redacted]**;

[redacted]; **[redacted]**; DL for DG Economy Directors; **[redacted]**; **[redacted]**; **[redacted]**;

[redacted]; **[redacted]**; **[redacted]**;

[redacted]; **[redacted]**; DG Economy; Hackett R (Rebecca); Mitchell E (Elinor); Grisewood A (Aidan)

Subject: Economy Top lines 27 April 2022

Attachments: Top Lines Narrative 27.4.22.docx

Cab Sec/PO Economy,

Please see an updated top lines narrative document. **[redacted]**

As ever, we welcome any further comments or feedback.

Also copying to Economy Ministers for awareness.

Many thanks,

[redacted]

Senior Communications Officer, Economic Policy & Capability Division

OCEA

[redacted]

ALL LINES AS AT 30 MARCH UNLESS OTHERWISE STATED

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UK Subsidy Control Regime

- [redacted]
- To commit to certain proposed subsidy principles within the UK Bill being disapplied for the Scottish agricultural sector. Those devolved agricultural subsidies were exempt under EU state aid rules and are already regulated in the UK.

[redacted]

UK Subsidy Control Regime - The UK Bill applies to agricultural subsidies, which are devolved. Those subsidies were exempt from the EU state aid rules that the Bill aims to replace, and are already regulated in the UK under the WTO agreement on agriculture. [redacted]

[redacted]

From: **[redacted]**
Sent: 30 March 2022 17:01
To: Cabinet Secretary for Finance and Economy
Cc: Deputy First Minister and Cabinet Secretary for Covid Recovery; Cabinet Secretary for Rural Affairs and Islands; Minister for Green Skills, Circular Economy and Biodiversity; Minister for Just Transition, Employment & Fair Work; Minister for Business, Trade, Tourism & Enterprise; Minister for HE, FE, Youth Employment and Training; Minister for Public Finance, Planning & Community Wealth; Cabinet Secretary for Net Zero, Energy and Transport; Minister for Transport; Minister for Social Security and Local Government; **[redacted]**; Reid A (Adam); Chief Financial Officer; Economy **[redacted]**; **[redacted]**; **[redacted]****[redacted]**; **[redacted]**; **[redacted]**; **[redacted]**; **[redacted]**; Rennie M (Michelle); **[redacted]**; **[redacted]**; **[redacted]**; **[redacted]**; **[redacted]**; **[redacted]**; DL for DG Economy Directors; **[redacted]**; **[redacted]**; **[redacted]**; **[redacted]**; **[redacted]**; DG Economy; Hackett R (Rebecca); Mitchell E (Elinor); Grisewood A (Aidan)
Subject: Economy Top lines 30 March 2022
Attachments: Top Lines Narrative 30.03.22.docx

Cab Sec/PO Economy,

Please see an updated top lines narrative document. **[redacted]**

As ever, we welcome any further comments or feedback.

Also copying to Economy Ministers for awareness.

Many thanks,

[redacted]
Senior Communications Officer, Economic Policy & Capability Division
OCEA
[redacted]

ALL LINES AS AT 4 MAY UNLESS OTHERWISE STATED

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[redacted]

UK Subsidy Control Regime

- [redacted]
- To commit to certain proposed subsidy principles within the UK Bill being disapplied for the Scottish agricultural sector. Those devolved agricultural subsidies were exempt under EU state aid rules and are already regulated in the UK.

[redacted]

UK Subsidy Control Regime - The UK Bill applies to agricultural subsidies, which are devolved. Those subsidies were exempt from the EU state aid rules that the Bill aims to replace, and are already regulated in the UK under the WTO agreement on agriculture. [redacted]

[redacted]

From: **[redacted]**
Sent: 04 May 2022 16:15
To: Cabinet Secretary for Finance and Economy
Cc: Deputy First Minister and Cabinet Secretary for Covid Recovery; Cabinet Secretary for Rural Affairs and Islands; Minister for Green Skills, Circular Economy and Biodiversity; Minister for Just Transition, Employment & Fair Work; Minister for Business, Trade, Tourism & Enterprise; Minister for HE, FE, Youth Employment and Training; Minister for Public Finance, Planning & Community Wealth; Cabinet Secretary for Net Zero, Energy and Transport; Minister for Transport; Minister for Social Security and Local Government; **[redacted]**; Reid A (Adam); Chief Financial Officer; Economy **[redacted]**; **[redacted]**; **[redacted]****[redacted]**; **[redacted]**; **[redacted]**; **[redacted]**; **[redacted]**; Rennie M (Michelle); **[redacted]**; **[redacted]**; **[redacted]**; **[redacted]**; **[redacted]**; **[redacted]**; DL for DG Economy Directors; **[redacted]**; **[redacted]**; **[redacted]**; **[redacted]**; **[redacted]**; DG Economy; Hackett R (Rebecca); Mitchell E (Elinor); Grisewood A (Aidan); **[redacted]**
Subject: Economy Toplines 4 May 2022
Attachments: Top Lines Narrative 4 May FINAL.docx

Hello PO

Please see this week's updated Economy topline attached.

[redacted]

Many thanks,

[redacted]