

**Chief Executive's Office**

**Michelle Quinn**

5 Atlantic Quay, 150 Broomielaw Glasgow, G2 8LU  
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Richard Leonard  
Convener  
Public Audit Committee  
Room T3.60  
The Scottish Parliament  
Edinburgh  
EH99 1SP

Date:  
17 March 2023

Dear Convener

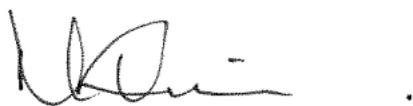
**New vessels for the Clyde and Hebrides: Arrangements to deliver vessels 801 and 802**

During a recent Freedom of Information (FOI) review, an additional piece of correspondence was identified which I believe is in scope of one of your previous requests following the First Minister's evidence session with the Public Audit Committee on the 4<sup>th</sup> November 2022.

I enclose a full copy of the correspondence which includes full email exchanges between First Minister's office and Transport Scotland's Communication Team relating to press lines for the preferred bidder announcement on 31 August 2015 for the shipbuilding contracts for vessels 801 / 802. This material includes the confirmation from the then Transport Minister, Derek MacKay on the press lines as you also had requested.

Please accept my sincere apologies for the oversight on this.

Kind Regards,



**MICHELLE QUINN**

**From:** Redacted on behalf of [First Minister](#)  
**To:** Redacted [Minister for Transport and Islands](#); [First Minister](#)  
**Cc:** Redacted [PS/Transport Scotland](#); [Middleton DF \(David\)](#); Redacted ;  
Redacted [Press Transport Scotland](#); [Communications First Minister](#); Redacted ; [Cabinet Secretary for Infrastructure, Investment and Cities](#); [Communications First Minister](#); Redacted  
Redacted  
**Subject:** RE: For clearance: Ferry contract  
**Date:** 29 August 2015 08:40:41  
**Attachments:** [image001.png](#)  
[image003.png](#)  
[image004.png](#)  
[image005.png](#)  
[image006.png](#)  
[image007.jpg](#)

Redacted

FM is content.

Thanks

Redacted

Redacted

**Deputy Private Secretary to the First Minister**

5<sup>th</sup> Floor | St Andrew's House | Regent Road | Edinburgh | EH1 3DG | T: Redacted | M:

Redacted



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**From:** Redacted  
**Sent:** 28 August 2015 17:37  
**To:** Minister for Transport and Islands; First Minister  
**Cc:** Redacted  
Redacted ); PS/Transport Scotland; Middleton DF (David); Redacted  
Redacted ; Press Transport Scotland; Communications First Minister; Redacted  
Redacted Cabinet Secretary for Infrastructure, Investment and Cities; Communications First Minister;  
Redacted  
Redacted  
**Subject:** RE: For clearance: Ferry contract

Thanks Redacted, suggested amendment below.

Transport Minister Derek Mackay added:

“This is a significant investment that proves Scottish shipbuilding can succeed in a competitive market, with the FMEL team submitting the highest quality bid that offered best value for money.

“The vessels themselves will be ‘dual-fuel ferries’, allowing them to use cleaner fuel and future-proofing them for the advent of tighter regulations around sulphur emissions. This announcement will strengthen our ferry fleet, ensuring they will be able to benefit the communities that need them for decades to come.”

# Ferry deal set to create new jobs

## Ferguson named preferred tenderer for new £97m vessels contract

First Minister Nicola Sturgeon has confirmed Ferguson Marine Engineering Limited (FMEL) as the preferred tenderer for the contract to build two ferries for the Caledonian Maritime Assets Ltd's (CMAL) fleet.

Once finalised, the new £97m contract will create new jobs at the shipyard and secure employment for the existing workforce of around 150 people, providing a boost for shipbuilding on the Clyde and the local economy.

Ms Sturgeon said:

“This is an excellent result for Ferguson Marine Engineering Limited and I am delighted to name them as preferred tenderer for the contract to build two new ferries, the largest commercial vessels to be built on the Clyde since 2001.

“This contract will see the 150-strong workforce retained and more staff taken on at the shipyard, underlining our commitment to creating the vital jobs needed to boost local economies and help stimulate growth across Scotland.

“The Scottish Government is committed to supporting ferry users around Scotland by providing safe and reliable services, and this is the latest step to ensuring we have a fleet that continues to deliver for the communities that depend on it.”

Transport Minister Derek Mackay added:

“This is a significant investment that proves Scottish shipbuilding can succeed in a competitive market, with the FMEL team submitting the highest quality bid that offered best value for money.

“The vessels themselves will be ‘dual-fuel ferries’, allowing them to use cleaner fuel and future-proofing them for the advent of tighter regulations around sulphur emissions. This announcement will strengthen our ferry fleet, ensuring they will be able to benefit the communities that need them for decades to come.”

Erik Østergaard, Chair of CMAL, said:

“I am delighted that we are able to name FMEL as the preferred tenderer for this contract and be in a position to enter discussions with them on the final terms and conditions. Subject to agreement on all points, we hope to be in a position to finalise the award of the contract later in September.

“We have undertaken a complex process of technical evaluation to ensure the new vessels will meet CalMac Ferries Ltd's rigorous requirements on capacity, speed, draft and dual fuel capabilities, including the ability to operate to a wide number of harbours and routes over their lifetime. We are confident that the specification from FMEL can deliver on all of these conditions.

“We have worked with the team at Ferguson's on the build of previous vessels for our fleet and most recently on our three smaller hybrid ferries and we look forward to continuing this successful relationship.”

CMAL, on behalf of Scottish Ministers, intends to award the contract to FMEL following a rigorous procurement process. CMAL will confirm the contract award in due course, subject to agreement on final terms and conditions.

FMEL will undertake the detailed design and construction work of new vessels, as well as their testing, equipping, launching and delivery.

The new ferries will be 'dual-fuel' vessels so they can operate on liquefied natural gas (LNG) and marine diesel. LNG is significantly cleaner and has been adopted by ferry operators in Northern Europe in response to tighter emissions regulations.

The first ferry is expected to be delivered in early 2018, with the second vessel following a few months later.

## Background

It is CMAL's intention to award the contract to FMEL following the required 10-day standstill period and subject to agreement on final terms and conditions between FMEL and CMAL over the next few weeks.

The ships are designed to carry 127 cars or 16 HGV's or a combination of and up to 1000 passengers.

From an efficiency and emissions perspective they are designed to operate on either marine diesel or LNG, where benefit will be gained by a marked reduction in CO2 and sulphur and nitreous oxides emissions.

The new ferries are earmarked for the Ardrrossan-Brodick and the Uig Triangle routes, although the final decision on vessel deployment rests with the current operator, CalMac Ferries Ltd, and will be informed by further analysis of demand on all major routes. The vessels they replace will be cascaded throughout the network, with no further details available at this time.

## Contact

Redacted

Redacted | Communications: First Minister

Media manager

Scottish Government, St Andrew's House

e: Redacted

t: Redacted m: Redacted

[www.scotland.gov.uk](http://www.scotland.gov.uk) | @ScotGov

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**From:** Redacted **On Behalf Of** Minister for Transport and Islands

**Sent:** 28 August 2015 17:29

**To:** Redacted First Minister; Minister for Transport and Islands

**Cc:** Redacted

Redacted PS/Transport Scotland; Middleton DF (David); Redacted

Redacted Redacted Press Transport Scotland; Communications First Minister; Redacted

Redacted Cabinet Secretary for Infrastructure, Investment and Cities; Communications First Minister;

Redacted

Redacted

**Subject:** RE: For clearance: Ferry contract

Redacted

Thanks for sight. Mr Mackay would like to add a line in his quote please, about how this is strengthening the ferry fleet and to say that this is a “significant investment”.

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Private Secretary to the Minister for Transport and Islands  
5 Atlantic Quay, Glasgow, G2 8LU

[transportminister@scot.gov.uk](mailto:transportminister@scot.gov.uk)

All emails and attachments sent by a Ministerial Private Office to another 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 by the primary recipient. Private Offices do not keep official records of such emails or attachments.

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**From:** Redacted

**Sent:** 28 August 2015 16:41

**To:** First Minister; Minister for Transport and Islands

**Cc:** Redacted

Redacted PS/Transport Scotland; Middleton DF (David); Redacted

Redacted; Press Transport Scotland; Communications First Minister; Redacted

Redacted Cabinet Secretary for Infrastructure, Investment and Cities; Communications First Minister;

Redacted

Redacted

**Subject:** For clearance: Ferry contract

Redacted,

News release attached and below for Monday. I will invite BBC, STV and local media to the site for the visit on Monday morning, a full media note will circulate shortly.

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Ms Sturgeon said:

“This is an excellent result for Ferguson Marine Engineering Limited and I am delighted to name them as preferred tenderer for the contract to build two new ferries, the largest commercial vessels to be built on the Clyde since 2001.

“This contract will see the 150-strong workforce retained and more staff taken on at the shipyard, underlining our commitment to creating the vital jobs needed to boost local economies and help stimulate growth across Scotland.

“The Scottish Government is committed to supporting ferry users around Scotland by providing safe and reliable services, and this is the latest step to ensuring we have a fleet that continues to deliver for the communities that depend on it.”

Transport Minister Derek Mackay added:

“Today’s announcement proves that Scottish shipbuilding can succeed in a competitive market, with the FMEL team submitting the highest quality bid that offered best value for money.

“The vessels themselves will be ‘dual-fuel ferries’, allowing them to use cleaner fuel and future-proofing them for the advent of tighter regulations around sulphur emissions, ensuring they will be able to benefit the communities that need them for decades to come.”

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**Contact**

**Redacted**