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AUDITOR GENERAL--Auditor General Reports on the Bluenose II Restoration Project

In his special report on the audit of the Bluenose II restoration project, released today, Jan. 28, Auditor General Michael Pickup said poor planning, inadequate project management, and weak oversight by government, and in particular the Department of Communities, Culture and Heritage, increased costs and contributed to delays in completion.

"The \$14 million budgeted refurbishment of the Bluenose II is now at \$20 million, with an additional \$4 million to \$5 million on top of that which is in dispute," said Mr. Pickup. "The cost to Nova Scotia, after federal funding, stands at \$15 million versus a planned \$7 million.

"While government officials said the Bluenose was to be ready for May 2012, it is now anticipated to be ready in 2015."

The report said Communities, Culture and Heritage was the lead department on the historic Bluenose restoration, but staff in that department lacked experience managing large construction projects.

"The rush to meet federal funding deadlines resulted in inadequate attention to a number of important project details," said Mr. Pickup. "Robust project planning was not completed. The department did not assign clear roles and responsibilities to complete the Bluenose II refurbishment on time and on budget."

In the report Mr. Pickup said poor planning meant Communities, Culture and Heritage was not ready to proceed with procurement but the department went ahead anyway. Tender documents lacked important project

details and resulting contracts with the project manager, designer and builder lacked key clauses.

He said relationships between key project stakeholders were strained.

"Communities, Culture and Heritage was aware of this issue but was not successful in addressing the problems. In its oversight role, the department failed to ensure all parties worked together effectively."

The 47-page report contains two recommendations to government.

Finance and Treasury Board agreed with both recommendations. The full report is available at www.oag-ns.ca. You can also follow the Office of the Auditor General on Twitter @OAG_NS.

FOR BROADCAST USE:

In his special report on the Bluenose II restoration project, Auditor General Michael Pickup says that poor planning, inadequate project management, and weak oversight by government, and in particular the Department of Communities, Culture and Heritage, contributed to the Bluenose II being over budget and late.

He says the cost to Nova Scotia, after federal funding, now stands at \$15 million versus a planned \$7 million.

The 47-page report contains two recommendations to government. Finance and Treasury Board agreed with both recommendations.

The full report is available on the auditor general's website.

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