

Management Action Plan

Reports of the Auditor General of Canada
 Report 2 – National Shipbuilding Strategy
 Date: Fall 2021

The complete Report 2 – National Shipbuilding Strategy from the February 2021 Reports of the Auditor General of Canada can be found [here](#).

OAG Recommendation	Departmental Response	Description of Final Expected Outcome	Planned Actions	Sector Responsible for Action/Point of Contact	Due Date/Deadline for Implementation
<p>2.36 The Canadian Coast Guard, National Defence, and Public Services and Procurement Canada should implement mechanisms to</p> <ul style="list-style-type: none"> obtain complete, current, and reliable schedules to support shipbuilding projects ensure that progress toward forecast targets and delivery timelines is monitored to enable timely decision making 	<p>The organizations’ response. Agreed. Fisheries and Oceans Canada (the Canadian Coast Guard), National Defence, and Public Services and Procurement Canada agree that having complete, current, and reliable schedules is essential for decision making and management of the shipbuilding projects. Departments will continue to work together and with shipyards to improve delivery and accuracy of schedules and ensure more disciplined reporting of progress toward targets. Current tools, such as the shipyard-produced integrated project schedules, and approaches, including earned value management, will be further matured to ensure that cost and schedule are properly managed and to support oversight by governance committees at all levels.</p>	<p>Receipt of shipbuilding integrated project schedules that are timely and credible.</p>	<p>Key interim milestone A: CCG will support PSPC as part of the integrated project teams (IPT) to review new and existing shipbuilding contracts to determine whether shipyard-related schedule and performance reporting obligations and deliverables are appropriate and/or are being met. This will ensure that Canada has appropriate contractual mechanisms in place for shipyards to produce robust integrated project schedules (IPS) and reporting of progress and performance and, for IPTs to manage overall shipbuilding project schedules.</p> <p>Key interim milestone B: CCG will ensure in-house capacity is in place to review quality of shipyard-produced IPS to determine whether</p>	<p>Key interim milestone A: CCG Shipbuilding and Materiel</p> <p>Mr Andy Smith, Deputy Commissioner (Shipbuilding and Materiel)</p> <p>Key interim milestone B: CCG Shipbuilding and Materiel</p>	<p>Key interim milestone A: Date of completion: Q4 2021/22</p> <p>Key interim milestone B: Date of</p>

			<p>schedule-related and performance reporting contract obligations and deliverables are appropriate and/or being met. IPTs will ensure that Earned Value Management (EVM) is used as an analytical tool to measure shipyard-produced IMS performance, with results presented during recurring NSS governance committee meetings. This will be achieved by the NSS Program Management Office (PgMO) and CCG PMOs engaging scheduling and EVM experts to analyse periodic shipyard-produced IPS, EVM deliverables and performance report summaries of their findings.</p> <p>Key interim milestone C: IPTs will ensure that shipyard-produced IPS progress updates are supported by shipyard performance findings based on earned value management metrics and baseline critical milestones in the IPS align with progress updates. This will be achieved by regular dialogue between CCG Project Management Offices (PMO) and shipyards and by shipyards presenting robust IPSs and performance findings during NSS governance committee meetings. This will promote a collective understanding of shipyard-produced IPS performance and shipyard programmatic challenges to serve as a data point to inform broader</p>	<p>Mr Andy Smith, Deputy Commissioner (Shipbuilding and Materiel)</p> <p>Key interim milestone C: CCG Shipbuilding and Materiel</p> <p>Mr Andy Smith, Deputy Commissioner (Shipbuilding and Materiel)</p>	<p>completion: Q4 2021/22</p> <p>Key interim milestone C: Date of completion: Q2 2021/22</p>
--	--	--	--	--	---

			<p>strategic decisions to manage overall shipbuilding project schedules.</p> <p>Key Interim Milestone D: CCG IPTs will leverage CCG’s Vessel Procurement’s, Programme Management Office (MP PgMO) to understand and implement strategies to better manage and enforce project schedules. This will be achieved by CCG MP PgMO staffing a dedicated specialist position to provide schedule management advice and support to individual Project Teams. In addition, the MP PgMO will work closely with NSS shipbuilding advisers to gain a better understanding of second and third order effects of individual project schedule slippage across the NSS at the Enterprise level.</p>	<p>Key interim milestone D: CCG Shipbuilding and Materiel</p> <p>Mr Andy Smith, Deputy Commissioner (Shipbuilding and Materiel)</p>	<p>Key interim milestone C: Date of completion: Q3 2021/22</p>
--	--	--	--	--	--