

# Performance audit of real estate infrastructures

## Agroscope / Federal Office for Buildings and Logistics

### Key facts

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Agroscope is the federal centre of excellence for agricultural research. It provides its services across all locations, using infrastructure at three main locations, seven special locations and 15 farms to do so. The heterogeneous real estate portfolio managed by the Federal Office for Buildings and Logistics (FOBL) comprises a total of more than 170 buildings with a floor area of 155,000m<sup>2</sup>. A land area of around 800 hectares is used. With a few exceptions, these rental and lease items are owned by the Confederation.

The FOBL and Agroscope have estimated the financial requirements for repairs and additional requirements in this real estate portfolio, with CHF 293 million being expected up to 2030. It is clear that funds of this scale cannot be made available by the Confederation. Agroscope developed an infrastructure strategy with the support of the FOBL in order to reduce costs, and its management issued the corresponding guidelines for action in mid-2016. The aim of the measures initiated is to achieve a budget reduction of just over CHF 100 million within the next 15 years. As a result, Agroscope's annual rental expenses will be gradually reduced; they currently total around CHF 43 million.

#### **New projects are well-founded and geared to future use**

New maintenance and investment projects are in line with Agroscope's binding infrastructure strategy and the 2016 guidelines for action based on it. In this framework, Agroscope plans its accommodation in a cost-conscious manner with the necessary overall view. This allows for the required economical use of funds. Agroscope and the FOBL cooperate on infrastructure projects constructively and expediently.

The Swiss Federal Audit Office (SFAO) recommends that Agroscope use corresponding reports to periodically document the development of the long-term savings targets for real estate infrastructures.

#### **No further federal payments are to be made for the new cantonal building in Posieux for the time being**

The project for the new building to house the Agroscope Institute for Food Sciences (IFS) is under way in Posieux. The project owner is the canton of Fribourg, which is investing CHF 70 million. The Confederation will be a tenant for 25 years. In this role, it has reserved CHF 10.3 million for outfitting and for moving from the current location in Liebefeld. The main features of the new building have been laid down contractually since 2014. Concerning payments to the project owner, the 2015 appendix to the contract provides for the staggered transfer of the necessary federal funds.

The planning work for the construction project had not yet been completed at the time of the audit. There are major delays relative to the schedule, and the building permit has not yet been granted. As a result, the agreed payment terms are no longer applicable in principle.

The SFAO recommends that Agroscope and the FOBL withhold all planned future federal payments to the project owner until an updated payment plan in line with the new schedule has been agreed.

### **Halting of the project for the new cantonal building in Posieux makes it possible to take current user needs and synergies into account**

The Federal Council decided to relocate the IFS from Liebefeld to Posieux in 2011. The key user needs at that time are included in the "project definition" from the end of 2012.

Some of the originally defined needs and project requirements have changed significantly in recent years. Primarily because of the reorganisation and reorientation of Agroscope, which has been completed in the meantime, there are needs and optimisation opportunities that have not been taken into account. For example, the potential for synergies at the entire Posieux site is still insufficiently explored.

As a user organisation, Agroscope is obliged to report changed user needs to the FOBL correctly, in a timely manner and with the required level of quality. This obligation has not been met consistently enough in the wake of the reorganisation.

The SFAO recommends that the FOBL and Agroscope immediately halt the project temporarily in the interests of optimisation and economical use of public funds. The canton of Fribourg is responsible for implementation in its role as project owner.

### **The cooperation between Agroscope and the FOBL for operating and maintaining real estate must be clarified**

The FOBL's Construction and Property Services is generally authorised to delegate tasks to user organisations. Primarily tasks that fall within the scope of operation and maintenance are concerned. The SFAO noted that Agroscope provides various such services, whereas no delegation of tasks was agreed. Moreover, the specific knowledge of real estate and facilities is strongly bound to individual employees at present. It is insufficiently recorded in writing. There are plans to draw up instructions for this purpose.

The lack of a formal agreement is based on the fact that operator services have always been provided directly, but they will be made available at the FOBL in the future insofar as this is economically feasible.

For economic optimisation, there is currently a lack of the FOBL's general operation management concept and make-or-buy decisions based on that, as well as Agroscope's user/operator concept.

The SFAO recommends that Agroscope clarify real estate-related cooperation with the FOBL. The necessary foundations and tools must then be provided with regard to the agreed cooperation.

**Original text in German**