

Audit of project management for rail projects

Audit at Matterhorn Gotthard Infrastruktur, Südostbahn and Rhaetian Railway, as well as at the Federal Office of Transport

Key facts

The Confederation and the cantons finance the expansion and maintenance of the Swiss rail network via service level agreements (SLAs). Within the framework of the current 2013–2016 SLA, CHF 288 million is made available to Matterhorn Gotthard Infrastruktur (MGI), CHF 247 million to Südostbahn (SOB) and CHF 554 million to Rhaetian Railway (RhB).

On account of the issues, the SFAO audited only projects that were being executed. The projects in question were the total refurbishment of Stalden station (CHF 15.5 million) at MGI, the replacement of shoulders and drainage at SOB (CHF 1.1 million) and the construction of the second Albula Tunnel at RhB (CHF 360 million). The SFAO additionally audited the performance of supervisory tasks concerning the projects audited and the reporting on them for the attention of the Federal Office of Transport (FOT). Project management for the audited projects is structured appropriately. The SFAO saw a need for action with regard to SLA project supervision and controlling.

The FOT's supervision focuses on financial development

Under the Ordinance on the Licensing and Financing of Railway Infrastructure¹, the FOT manages the controlling process for infrastructure financing, with the primary focus being on reviewing service provision and target achievement. Private railways have to report to the FOT semi-annually regarding the projects ordered with an SLA, providing it with status reports as well as information on the origin and use of funds.

Each FOT controller monitors several private railways and projects ordered with an SLA. Because of the size of the portfolio (1,500 to 3,000 projects per controller) and reporting on a specific date, the FOT cannot ensure prompt status report analysis and thus effective monitoring of the individual projects. The SFAO feels that portfolio controlling is missing at the FOT. This would enable the FOT to perform a general assessment of SLA projects and identify projects requiring in-depth monitoring based on the risks involved.

Likewise, criteria should be defined for dividing projects above the threshold into various controlling classes. The aim of these measures is to focus on what is important while at the same time reducing the controlling burden for all involved.

Project-related reporting is time-consuming but sometimes of insufficient quality

The effort involved in preparing project-related reports for the FOT is considerable for private railways depending on the project in question and the controlling requirements. The quality of status reports and the associated informative value are occasionally poor. However, such reports are not identified and corrected in a timely manner, if at all, because of the avalanche of reports at

¹ SR 742.120



the FOT. Consequently, work is generated for both the reporters and the report recipients without any actual added value being created.

The accumulation of roles within a project's organisation is to be avoided

A single person or an external association is responsible for various roles/functions in two out of three project organisations. This accumulation of tasks and responsibilities reduces the possibility for the project owner to influence the project. Consequently, the necessary objectivity is sometimes missing for individual tasks or the required segregation of tasks cannot be ensured.

Contract management and addendum management have room for improvement

The quality of contract management varies. Firstly, there are shortcomings in terms of the transparency and approval of contract addenda. Secondly, occasional contracts were not adjusted to the actual project situation. There is also some selective room for improvement in the instruments used for contract management.

Original text in German