

Audit of the key ICT project CMS DDPS DDPS General Secretariat

Key facts

In accordance with the Federal Council's directives for key ICT projects, the Swiss Federal Audit Office (SFAO) audited the Content Management System (CMS) project of the Federal Department of Defence, Civil Protection and Sport (DDPS) in the DDPS General Secretariat (GS-DDPS) from 21 July to 3 October 2014. The audit's aim was to assess the project status and the risks with regard to achieving objectives.

The project was started at the beginning of 2011 already to replace the current Content Management System CMS 2007 operated by the Armed Forces Command Support Organisation (CSO). The objective was to replace the CMS 2007 with a successor product by the end of 2012. In March 2012, the CSO decided not to provide any CMS services in the future. This led to a change of strategy and after clarification with the Federal IT Steering Unit (FITSU), the Federal IT Council (FITC) and the Federal Office of Information Technology, Systems and Telecommunication (FOITT), the GS-DDPS decided to conduct its own WTO tender and to evaluate an appropriate provider for CMS managed services.

For the WTO tender for CMS managed services conducted in the selective dialogue procedure, the awarding of the contract was published on simap.ch on 24 February 2014. The basic contract worth approximately CHF 7.3 million covers the provision of new CMS managed services by the tenderer and the transformation of 35 DDPS websites, the integration of 10 peripheral systems and operation for the first five years. The option amounting to approximately CHF 148 million makes it possible to extend CMS managed services to the entire Federal Administration as well as extending the operating period to an overall maximum of 13 years. However, a contract ready for signing was not drawn up before the awarding of the contract and the contract negotiations were still under way at the time of the audit, after a lengthy break in negotiations.

Aside from the procurement of CMS managed services, the DDPS also had to resort to the support of external personnel to implement the project and, to this end, has concluded 26 agreements with a total contract value of approximately CHF 5.9 million to date. Amongst these is a contract awarded to RUAG which is above the threshold value and which was awarded directly. For confidentiality considerations, *armasuisse* Legal Affairs considered this procedure to be justified.

A second contract awarded directly, which was also above the threshold value, concerned the lending of personnel for external assignment of the overall project management. There are no grounds for awarding this contract directly and it should have been put out to tender in accordance with Chapter 3 of the Public Procurement Ordinance (PPO). Both of these direct awards were transacted by the DDPS, without delegation, and not by the Federal Office for Buildings and Logistics (FBL); moreover, they were not published.

The investment costs for the entire project are CHF 26.5 million, and half of this has a financial impact. Periodic project cost accounting and financial planning give detailed information on how funds are used.

The original intention to begin operations with a new solution by the end of 2012 could not be achieved for various reasons. The GS-DDPS decided only in June 2013 to reset the project and



deal with the past. Subsequently, the project was consistently geared to HERMES to create a sound foundation for successful project management.

In the eyes of the SFAO, this needs to be rounded off with a number of improvements. For example, risk management and IT controlling must be under the direct responsibility of the procuring entity; external occupation of key positions must be examined and the master plan must be developed.

Aside from the already severe delay in the overall project, the following three issues currently pose the biggest risks:

- Conclusion of the complex set of contracts with the future service provider by the end of 2014;
- Development of a service-oriented business organisation in the CSO and the GS-DDPS before operations commence; and
- Transformation of the 35 websites with a total of more than 79,000 pages by the end of 2016

For the last item, binding agreements with the executing bodies of the respective organisations in the DDPS and corresponding transformation contracts with the future service provider must be drawn up to complete the transformation concepts. Added to this, outstanding conceptual work must be completed and in particular the type of introduction must be selected (parallel introduction, staggered introduction or big bang). Only after this has been done can the project plan, the precise costs and the final deadline be validated with particular consideration of the timing for phasing out the currently used CMS 2007.

Thus, it is still uncertain as to whether it will in fact be possible for the project to be completed by the end of 2016.

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