

# 2016 - Annual Report Volume I

## No. 11 - Federal Ministry of the Interior

### 11 Cost-intensive data centres stood idle for years

Between 2011 and 2016, the Federal Ministry of the Interior paid €26 million for renting two data centres for the “Networks of the Federal Government” IT project. The data centres stood largely idle. The Ministry failed to adequately assess the project risks. The Ministry needs to avoid similar shortcomings in the proposed federal IT consolidation project.

The “Networks of the Federal Government” project was launched in 2007. Its purpose is to provide a secure voice and data network for federal authorities. As part of its federal IT consolidation project adopted in 2015, the Federal Government is planning to pool 80 per cent of IT operations at a federally owned service provider. The Ministry is in charge of the two projects.

The “Networks of the Federal Government” project has repeatedly been delayed, inter alia, because two departments concerned failed to reach agreement on any action to be taken. Nevertheless, the Ministry signed long-term rental agreements for two data centres that were largely not in use. Until 2016, the Federal Government has paid some €26 million for the idle data centres.

As part of the “IT consolidation” project, the number of 96 data centres and 1,245 server rooms is to decrease strongly by year-end 2022. For this purpose, the Ministry intends to terminate existing contracts for data centres or modernise the centres. The Ministry also intends to rent or build new data centres. The Ministry has no overview of the centres in place, e.g. their rental and operating costs, size and technical equipment. It is also unaware of the Federal Government’s IT office space requirements. The Ministry is therefore not in the position to reliably assess the impact of the measures proposed.

The Ministry needs to ensure that similar weaknesses as those of the “Networks of the Federal Government” project do not occur again to avoid a major bearing on the federal budget. We recommended that jointly with the Institute for Federal Real Estate the Ministry develop an overview of the data centres in place with their key parameters, including rental and operating costs. The Ministry has to take such data into account for the capital expenditure appraisal on IT consolidation.