



Office of the State Comptroller
Annual Report 70C | 2021

Organizational Matters

Master Plan for Construction in the Mossad

Abstract

Master Plan for Construction in the Mossad

Background

In February 2013, the Prime Minister decided “to leave the Mossad headquarters in its place while guaranteeing its ability to function”; in August 2014, a tripartite agreement was signed (between the Mossad, the Ministry of Finance and the Israel Lands Authority) for carrying out Stage 1 of a construction master plan and for financing it; prior to this, the Mossad had formulated the “2040 Master Plan” for fulfilling the Mossad’s construction and infrastructure needs until 2040. The master plan includes a wide-scale, resource-intensive project designed to fulfill the Mossad’s operational needs as deriving from its designated mission.

Key figures

ILS 1.5 billion

cost of the tripartite agreement for the performance of Stage 1 of the master plan




ILS 1.081 billion

the additional cost for Stage 1 of the plan if all of its components are completed



About ILS 2.6 billion




total cost of Stage 1 if the Mossad completes all components of the plan

Audit actions

-  The Office of the State Comptroller conducted an audit of the Mossad's construction master plan. The audit examined the various aspects of the master plan – examination and approval of the plan, validation of the Mossad's needs, work interfaces between various bodies and the planning for its execution. The audit was conducted between August 2016 and May 2018: in the Mossad, in the Prime Minister's Office, in the Ministry of Finance (in the Budget Division and in the Accountant-General's Division), in the Israel Lands Authority, in the Civil Service Commission and in the Ministry of Intelligence Services.
-  The audit focused on the following main aspects: delineating the Mossad's human resources needs as a foundation for the master plan; the decision-making process that led to the formulation of the master plan and the decisions about the partial financing of Stage 1 of the plan (Stage 1 is scheduled to be completed by 2021).
-  The subcommittee of the Knesset State Control Committee decided not to submit to the Knesset and not to publish parts of this report for national security reasons, pursuant to section 17 of the State Comptroller Law, 1958 [Consolidated Version]. The classification of these parts does not prevent the understanding of the fundamental issues raised in this audit.

Key findings


-  **The Mossad did not complete comprehensive work to examine its maintenance costs**, based on a detailed multiyear plan for increasing its human resources, although it stated that it would perform this work as part of its response to Team A's comments on the 2040 Master Plan from March 2012. This examination of the maintenance costs is a basic stage in delineating the requirements that the master plan is intended to provide for the Mossad's needs and requirements in the coming years.
-  **Deficiencies were found in the delineation of the Mossad's human resources needs as a foundation for the master plan**, which is intended to provide a solution for the increase in the number of its employees. The Mossad based its forecasts regarding the expected increase in its human resources on the characteristics of the actual increase in previous years, and did not examine the increase in manpower needed against the missions that they are tasked to carry out. In particular, the audit found that the tasks were not analyzed, the work load imposed on the employees in their various roles was not examined and an analysis of missions was not performed – which should have been used to derive the number of designated officials required to carry out those missions and the required staff and support officials.

-  When approving the project, a solid normative foundation had existed, which should have been used as a compass for the National Security Council in relation to orderly and obligatory conduct during the process of approving the project. **The National Security Council should have served as a watchful eye of the project at the national level**, and that being the case, it should have been a central axis in the decision-making proceeding regarding the Mossad's construction master plan, considering its operational importance and, at the same time, considering its high financial cost.
-  **The construction master plan and the project budget were not submitted for the approval of the Prime Minister as the minister in charge and subsequently, the plan and budget were not submitted for the approval of the interministerial committee** for approving the Defense Establishment's development and procurement plans as is required for projects with estimated costs exceeds the amount of ILS 500 million (in a multiyear budget).
-  **The Mossad did not reach an agreement with the Ministry of Finance on the project's full budget, up until the audit completion date**, even though the plan had initially been budgeted, as stated, at the sum of about ILS 1.5 billion. If the Mossad carries out the full project contents that it presented, then about ILS 1.081 billion will be added to the costs of the master plan, which are expected to total about ILS 2.6 billion.



he Mossad prepared a multiyear master plan for construction in the Mossad. The master plan includes a wide-scale project designed to fulfill the Mossad's operational needs as deriving from its designated mission.

Key recommendations

-  The Office of the State Comptroller recommends that the Mossad should submit major combat-support construction projects at the required costs to the approval of the minister in charge – the Prime Minister – and through the National Security Council for approval by the relevant interministerial committee. The Office of the State Comptroller also recommends that all project costs should be approved prior to launching the projects, even in instances of a budget according to stages.



Summary

The Office of the State Comptroller commends the Mossad for the preparation of a multiyear master plan for construction in the Mossad. The master plan includes a wide-scale, resource-intensive project designed to provide a solution for the Mossad's operational needs as deriving from its designated mission. However, deficiencies were found in the delineation of the Mossad's human resources needs as a foundation for the master plan, in the decision-making proceeding regarding the master plan and in the arrangement of the financing of the execution of the plan.