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PRODUCER: Trudi Barber

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ACTUALITY AT COVENTRY HOSPITAL

WOMAN:	Can I just do your blood pressure and pulse for you
please.	
MAN:	Okay, fine.
NORTHAM:	This is the age of the digital nurse.
WOMAN:	Going into the observation session and the pulse is
105, we can store it.	

NORTHAM: Bedside measurements tapped into a handheld terminal the size of a small notebook. But no thanks to the Government's massively expensive computer project for the NHS. This is a home-grown system dreamt up in a Midlands hospital at minimal cost. They, like the rest of us, are still waiting for the delayed national programme to deliver full clinical records. BROOKS: After a whole decade of work on that programme, we are as far away from the objective now as we were in 1999. It's fairly obvious that the NHS IT programme in England has been one of the most disappointing IT programmes in Europe.

NORTHAM: Under governments of both major parties, one by one, large IT projects have run late or wildly over budget, or completely failed to deliver. Now with public spending facing a painful squeeze, politically influential voices are calling for a rethink.

LEIGH: Politicians come up with these ideas, they want everything to be done immediately. They're just playthings for the private sector. And we, the taxpayer, are paying enormous sums to companies to run these IT projects for us, to waste money for us. Once the general election is over, whoever is going to win, I hope will just take a scythe through all these precious IT systems.

NORTHAM: But how much could we save? File On 4 has examined three large-scale computer calamities affecting an emergency service, 100,000 farmers and the NHS in England to find out where they've gone wrong and whether there's anything to gain from scrapping them.

SIGNATURE TUNE

ACTUALITY AT CHELTENHAM FIRE STATION

NORTHAM: At the fire station in Cheltenham, there's a training exercise underway at the simulated tower block in the yard. The crew have to put up one of the big ladders, get the hose ready and then speed up the steps to the third floor balcony. In any future national emergency, fire crews throughout England could be mobilised through a computerised network of regional control rooms.

ACTUALITY IN COMMAND CENTRE

BURNETT:

We're entering the secure area.

NORTHAM: On the edge of a business estate near Taunton, a new hi-tech fortress has been built for the control centre due to cover all the south west's fire services.

BURNETT: I'll just get the lights. What will go into these racks is the equipment that will allow the incoming calls to be routed to the right places and the 999 calls will also come in through this space.

NORTHAM: The multi-million pound command centre looks like NASA control. Its Chief Executive, Julie Burnett, is just waiting for the complex IT system to be installed.

BURNETT:This is the main control room.NORTHAM:Wow, this is futuristic, and that enormous screen at
the end will be what?

BURNETT: That enormous screen is actually twenty 50' screens configured in one, so whoever is supervising on a day to day basis or managing the control room will be able to decide how they're going to configure that screen – the map of the region, the map of another region, we can show where our appliances might be in the south west, all of the kind of information that's required to mobilise. For quite a long time I actually worked in here virtually on my own, so it's quite nice to have a small team around me. Once we have the people in here, it will start to feel real. Once we have the systems as well, then it will be real.

NORTHAM:	But you don't know when that's going to be?
BURNETT:	I can't give you that date, because I don't have it at the
moment.	

NORTHAM: At first, the programme known as Fire Control was due to start in December 2007. Now the first implementation date is the middle of next year,

NORTHAM cont: three and a half years late. The nine virtually empty new control centres are costing £1 million a month. Meanwhile the IT budget has rocketed from £120 million to £423 million. In Gloucestershire's existing control room, the cabinet member for community safety, Councillor Will Windsor-Clive, has lost patience with a scheme which has not delivered on its promises.

WINDSOR-CLIVE:	I think the building was finished a couple of years ago.
NORTHAM:	And cost?
WINDSOR-CLIVE: think, was about $\pounds 17$ million.	\pounds 5,000 a week. The actual cost of the building, I
NORTHAM: used?	So £5,000 a week to keep a building that isn't being
WINDSOR-CLIVE:	Absolutely, because at the minute the businesses can't
move into it.	

What do you make of that?

NORTHAM:

WINDSOR-CLIVE: A monumental waste of money. It's terrible really, and when you think of the amount of money, the small amount of money in comparison to that, to get our local control centres up, running and secure, what we're talking about is peanuts here. They're wasting millions over there. If this project hadn't gone ahead, we would have had the technology in 2002, we were building up to this and we would have been up and running with this technology. Now we're waiting for Government to implement this and we are now going to be in 2011 before we get it. There are three things we are trying to achieve here – one is security for the people, which is national security; two is an emergency response and the best we can give; and three is cost. And all of three of those, I think, it's now come to pass that you can look at this project and say it's not going to deliver any of those three.

NORTHAM: Around England, fire services are concerned about the delays to the IT project. The President of the Chief Fire Officers Association, John Bonney of the Hampshire brigade, supports the regionalisation in principle but worries that, while they all wait, Gloucestershire's isn't the only control room which is rapidly ageing.

BONNEY: The difficulty is is that the project has worn on, so a number of those controls have become increasingly old, out of date and obsolete. Indeed, a number of fire and rescue services couldn't wait any longer and therefore have had to put in replacement systems. Most are now in a patch-up situation, the difficulty is is there is a balance of risk here between committing yourself to the project but at the same time thinking about the service that you're expected to deliver to the public at the moment.

NORTHAM: And while they've been waiting, what proportion of fire services are now dealing with equipment in their control rooms which you would regard as either obsolete or close to it?

BONNEY:Close to it I think, there's probably about half. about50%.

NORTHAM:

Half of them?

BONNEY: Half of them should be at this point, if not replacing them their systems, then certainly thinking about replacing their systems.

NORTHAM: But it's all on hold because they're waiting for Fire Control?

BONNEY: Well, of course, they've committed to a project that the Government has very clearly said it will deliver and understandably those fire and rescue authorities have put in abeyance their own plans.

NORTHAM: Mr Bonney stresses that this degree of obsolescence does not put the public at risk, but the Chief Fire Officers' Association has formally called for the Government to come up with a Plan B in case Fire Control fails. The company NORTHAM cont: behind the computer system is the international defence giant, EADS. One of its senior managers has admitted to File On 4 that they 'screwed up' the fire service project in its early days. Six weeks ago, the local government minister told the House of Commons that the project would now go live in just over a year's time. He's relying on the company's UK Chief Executive, Robin Southwell, to deliver to the new timetable. The position at the moment is that everything is ready to go on this project - the buildings are there, they have been there for years, they're paying a fortune to keep them pretty much empty. Everything is ready to go except the IT. You can see why people think you've failed.

SOUTHWELL: Ii think people, if they wish to look at the programme in the round, will understand that we have done quite a good job in managing a complex situation. Yes, some of the infrastructure is ready, not all of it. I don't think that represents a major flaw in the process.

NORTHAM: In terms of the buildings, they've stuck to the original timetable. The thing that's drifted by years is the IT – that's you.

SOUTHWELL: In terms of the fit out of the buildings with the system, initial work has been done, we already have in some of the fire stations some initial equipment that's being tested, and we believe that moving forward, we will get this programme in place in good time and the delays which have taken place, I hope over time will be regarded in the context of the complexity of introducing that IT.

And when will it all be ready and working?

SOUTHWELL: We hope to get the whole thing ready and working within a couple of years of initial installation of the first kit.

NORTHAM: So that's mid 2013?

NORTHAM:

SOUTHWELL: Yes, but I want you to be easy with me on this one, because we want to get it right rather than get it quickly, so if the fire service wishes to have certain amendments to it, if we see changes that we want to be able to get it right rather than get it quickly. NORTHAM: This month, the Communities and Local Government Select Committee will publish its report on the Fire Control project, based on recent hearings at which it grilled both the company and the government department. They can't be looking forward to an easy read. The Committee is chaired by the Labour MP, Dr Phyllis Starkey, who has concluded that the scheme has gone badly wrong.

STARKEY: Well, there have clearly been massive mistakes about the way in which the project was first formulated and the way in which the contract was originally drawn up with the main contractor, and they have led to huge delays and massive additional costs to Government and to the various fire authorities which were planning on the basis that the new system would have been delivered by now.

NORTHAM: Can you work out what it is that led to these delays and cost overruns?

STARKEY: Not entirely. It is clear that the Government did not specify the project in sufficient detail at the outset, that the contractor appears not to have appreciated the complexity of what was being required, and that the technical system that was first proposed simply wasn't able to deliver what was required, and so that has meant that a new subcontractor has had to be brought in.

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NORTHAM: The effect of all this is what?
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STARKEY: That the system is not being brought in on time and there is a kind of deadline which is looming up which is the Olympics, which will pose a huge potential security problem, where we need to have the best possible national emergency communication system, so that the country can be confident that, should anything happen, the emergency services will be able to respond. It is going to be very very tight now to deliver this system in time for it to be bedded down, everybody to be familiar with it and everybody to be able to provide 100% at the time of the Olympics.

NORTHAM: To date, almost half the budget has been spent on the Fire Control IT, so it might seem to a future Chancellor, of whichever party, that scrapping the scheme now could free up the other half. Conservative policy is to abandon the scheme NORTH cont: – or in their words 'to ditch this botched project'. But would it be so simple? Cancelling any programme could lead to court action over breach of contract and the Government would have to work out what to do and pay for instead. So how much does the Chief Executive, Robin Southwell think could be saved if the Fire Control scheme were scrapped?

SOUTHWELL: Something between little and nothing; in fact, there's already been a couple of hundred million spent on this, so you would have to question the validity of that.

NORTHAM: But there's a couple of hundred million more to be spent.

SOUTHWELL: Yes sorry, I was just answering your question, that there has been significant expenditure and whatever alternative which you're quite keen to explore probably would have to be funded out of any residual, and then you have a question of could it be done for half the price.

NORTHAM: Have you got things so tightly sewn up in the contract that, if it were cancelled, it would cost as much as to continue with it?

SOUTHWELL: I am pleased to say I haven't actually done that calculation, because we believe this contract will be fully executed and fire and rescue service will have a product they're comfortable with, so I would say that we are completely confident that the right way forward is to execute this programme to completion, notwithstanding the fact that our ability to discuss it with any future party. This is a programme which, after significant audit for many parties, remains current, capable and complete-able.

NORTHAM: Fire fighters aren't the only people waiting for a computer system to do what it's promised. 107,000 English farmers are supposed to receive subsidy payments under the reformed Common Agricultural Policy, with the amount determined by the acreage of land they work. For those struggling to make even a subsistence living, the thousands of pounds they qualify for can make the difference between NORTHAM cont: survival and bankruptcy. It doesn't sound like much of a problem to get their payments right, but the Government body responsible, the Rural Payments Agency, RPA, is rarely mentioned now without the adjective 'beleaguered'. For five years, widely publicised problems with its computer system have led farmers to despair. And their troubles are far from over.

ACTUALITY IN OFFICE

WORDSWORTH: Probably the best way to describe my desk is a bomb has hit it. I deal with quite a lot of cases, there's probably four or five hundred cases on my desk at the moment, all individual case files, papers.

NORTHAM: At the Head Office of the National Farmers' Union in Warwickshire, Richard Wordsworth still has a full time job dealing with the human impact of computer error.

WORDSWORTH: Even for the 2009 scheme year, which was the fifth year of the single payment scheme, we're still seeing wrong payments being issued to farmers. Farmers expecting a sum of £15,000 and only receiving £400. Something in the system is still not right to generate that type of error and we have claims where parts of the claim are perfectly okay, but other parts of the claim simply are considered too complex by the computer to be able to produce the right figure. And what concerns me is, having known about all these problems to date, when the next year's claims are being processed for payment, that you still see problems even at this late stage, and so it's quite demoralising to see cases coming back in where something hasn't gone right. That is a concern and we hope that by the 2010 claim year the payments start going out in early December, we hope that a lot of the cases that are still on my desk will be cleared, but at this moment in time I can't say that they will.

NORTHAM: Insiders trace the problem back to the way the payments scheme was set up even before its launch. At the Tenant Farmers' Association, George Dunn looks back in bemusement to early discussions the Government held. DUNN: I was a member of a Government stakeholder group which was looking at Common Agricultural Policy reform process and we were presented with a paper of the various options that the member states could use to implement the reform programme, and they ranged at the top of the paper from the very simple ones right to the very bottom of the paper with the more complex ones, and we worked our way through this system. And when we got down to the bottom of the list there was palpable laughter in the room that we would ever consider using one of those complex systems, given the nightmare that we would have in trying to implement it.

NORTHAM:	And what happened?
DUNN:	The Government chose the bottom of the list
NORTHAM:	The one that you thought was laughable?
DUNN:	The Government chose the most complex system.
NORTHAM: was an error?	Did you politely tell them that you thought that this

DUNN: I don't think I was very polite at the time. I did tell them that they'd chosen the most complex system and why hadn't they taken the advice of their own civil servants, their own staff within the Rural Payments Agency, that if they chose one of these most complex options, it would be a complete nightmare to administer. And the response which we had from the senior civil servant at the time was that the Rural Payments Agency would do what the Rural Payments Agency would be told to do by DEFRA.

NORTHAM: The result has been a catastrophe. Payments cost around £1,700 each to process in England, while in Scotland, where they chose a much simpler system, the cost is one-sixth of that. The budget of the IT system has gone from £53.8 million to £350 million. Three times the Commons Public Accounts Committee has looked into rural payments, and three times it's concluded that the system has failed woefully. The Committee's chairman, Edward Leigh, makes no attempt to mask his displeasure. LEIGH: Oh, this is one of the worst cock-ups, administrative disasters that we've encountered in Government for many years. I mean, the figures are staggering. We've had to pay a fine to the European Commission for our gross inefficiency of £280 million. We've spent £304 million on additional staff costs. In total we've wasted on this Rural Payments Agency a staggering £622 million. Now I know that these figures may seem very little, may seem difficult to understand, because we always talk in politics in millions and billions. There are only 100,000 farmers. It would be frankly easier just to write a cheque for £10,000 or £20,000 for each person rather than employ hundreds of people, waste £600 million. And the worst thing is that the farmers suffer and it's tragic. I mean, some farmers have actually committed suicide because, you know, they've been given and then abruptly they've been told it's an overpayment, the money has been demanded back. By the way this IT system alone cost £350 million. You couldn't believe that you could spend £350 million on an IT system to pay 100,000 farmers. It beggars good sense. What we said, it may be better to scrap the whole lot, scrap the existing system, scrap the IT project, get a new IT system and start all over again. I mean, it may be that if you're in a hole, stop digging.

NORTHAM: One aspect of the scheme is particularly galling for Edward Leigh - the payments made to IT staff from the scheme's contractor, Accenture. It's officially recorded that one hundred of the company's experts are employed at taxpayers' expense at an average salary of £200,000 a year each. The Chief Executive of the Rural Payments Agency, Tony Cooper, was brought in to try to rescue the system in 2006 and points to recent reductions in overall costs of about 10% each year. Is it wise use of public money for you to currently be paying a hundred Accenture staff at an average of £200,000 each?

COOPER: Accenture are employed to provide one part of the IT system that we have for the Single Payment Scheme. and what we contract with them for is a price for a piece of development or the introduction of some changes into the system. We don't actually pay Accenture on a day rate; they determine how many people they need for the contract price that we engage with them on for the IT.

NORTHAM: And you're happy with those figures – a hundred Accenture staff, an average of £200,000 a year each? That's more than the Prime Minister gets.

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COOPER:They, they ... we don't actually pay those peoplethose sums of money.

NORTHAM: But you pay Accenture and they pay them.

COOPER: But it's up to them how many people they have. What happens throughout the development life cycle is that the numbers of people that they have will increase and then reduce depending on the timing of what work they're doing at that particular time during the development life cycle.

NORTHAM: Edward Leigh of the Public Accounts Committee has described this to me as one of the worst cock ups in Government that he's seen. Would you go that far?

COOPER: I've arrived at something where I have to take forward a scheme that was already sort of decided upon. I sort of inherited that position and what I've tried to do is take that work forward. I don't have the option of changing the scheme – it's a scheme that's been devised and defined and is live, so we have to now work with that and make the best we can. I think the improvements we've made actually shows that had it been implemented in a perhaps a longer time scale, then it could have been implemented in a very successful way.

NORTHAM: But for all its efforts, the Rural Payments Agency still hasn't made the computer work as planned in all cases. The Tenant Farmers Association has told File On 4 that ten to fifteen thousand payments are still wrong. The Rural Payments Agency insists the figure is about twelve hundred. Whoever is right, Mr Cooper must be hoping that he can get the next round of claims right, not only for the sake of farmers but also to relieve him of the embarrassment of another fifteen rounds with the Public Accounts Committee. Its chairman, Edward Leigh, demanded that the Government write to him by the end of January to explain how it was going to correct the payments system. He's not happy with the response and is not going to let the matter drop. LEIGH: Well, we are very disappointed with their report, because it's just full of excuses and they don't seem to have an action plan to show how they are going to get out of this hole, so we're now going to summon them back again. I don't think it'll be this Parliament, presumably the successive committee to this in the next Parliament, so they'll have to come back for a fourth time, which I mean, frankly, why should we waste our time on this, because we only have sixty hearings a year, we've got to look at the whole of the health service, the Foreign Office, Defence. Why should we have four hearings on one small agency just paying out a relatively simple amount of money?

NORTHAM: The problems confronting the Rural Payments Agency, like those still holding up the Fire Control centres, pale in comparison with the biggest, most ambitious, most expensive civilian IT system England, and the world, have ever seen - the plan to create a network of computerised clinical records in the NHS. This was one of Tony Blair's big ideas, with the aim of ensuring, as he put it, that if you live in Birmingham and have an accident in Bradford, the doctor treating you should have access to your medical history.

ACTUALITY IN COVENTRY HOSPITAL

MORTON: Resps per minute, that's the 15 seconds timed up, so we close that and then put that in, that was at 20. Any pain?

MAN: No pain at all. MORTON: Right, so that's a nought and then we press submit.

NORTHAM: In ward 50 of the smart modern University Hospital in Coventry, Sister Judy Morton is taking routine readings for a patient recovering from a kidney and pancreas transplant. She doesn't have a clipboard and pen, but enters results into her handheld terminal. In the hospital's computer hub, the senior analyst Karl O'Sullivan Smith stores details of all patients including not only their monitoring results, but also any tests or procedures they've undergone.

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SMITH: You just click on the patient's hospital number and it takes you straight into the latest pathology results.

NORTHAM:	What's that huge list of things there?
SMITH:	Blood tests, full blood counts, liver function tests.
NORTHAM: you?	And if you click on one of those, what does that show

SMITH: Well that takes you into the individual paths that make up a full blood count, like the white blood cells, red blood cells, and from there you can also then have a look at a cumulative of any of those results.

NORTHAM: These records are instantly available not only to relevant doctors in the hospital, but also to a patient's local GP in Coventry. But this is not a product of the £12.7 billion national programme for IT in the health service. It's an innovation which began in 1999 in the hospital itself and has been consistently refined and updated since then. The whole scheme has cost less than £3 million, including a decade of staff salaries. Meanwhile, as Tony Collins, the Executive Editor of Computer Weekly notes, the long-awaited NHS scheme has yet to realise its full promise.

COLLINS: The national programme for IT is a shadow of what it was originally intended to be. We were supposed to have by the end of 2006 electronic health records, a national broadband infrastructure, electronic prescriptions and a choose and book system. We have to some extent a choose and book system, although it doesn't have 100% penetration by any means within GPs. There is a broadband infrastructure, which has been a success, electronic prescriptions is by no means completed, and the national health record, which was the big thing that ministers wanted out of the national programme for IT, has barely started to happen.

NORTHAM:

So a shadow of its former self?

COLLINS: They've spent around £4 billion on the programme so far and they've delivered some useful extras which were not part of the original scheme, but the main thrust of the program, which was electronic health records, hasn't really happened yet.

NORTHAM: Only two of the original four huge companies are still involved in the project. Accenture has quit, Fujitsu had its contract terminated and is now in a legal dispute with the NHS over £700 million. Little wonder that we've found a widespread fear that the system may never deliver the hoped-for digital network of full clinical records. Over recent decades, Tom Brooks has worked as an IT consultant to a number of NHS Trusts and to the Department of Health. He's found it helpful to maintain a sense of realism about claims for the National Programme, and he has a long memory.

BROOKS: The first documented evidence I have seen is in 1999, when Sir Alan Langlands, who was then the Head of the NHS, outlined his plans to the Public Accounts Committee in the House of Commons. And at that time, he costed the programme as £1 billion and he laid out a detailed five year plan for achieving the program. The objective of that programme is the same objective which has remained since that time.

NORTHAM: Now that was laid out in a programme in 1999 to last five years, in other words to go up 2004/2005?

BROOKS: Yes, it was to terminate in December 2005, and earlier in 2005 we should have reached the point where all patient records were electronic 100%. And hence, there would be no more need for paper patient records. The view of the Secretary of State is that that goal may be obtained in 2015/2016. Personally, I think it will be many many years beyond that unless there's a radical change of direction.

NORTHAM:	But the official view is that it's still five years away, is
it?	
BROOKS:	Absolutely, more than five years away.
NORTHAM:	But it was five years away a decade ago?

BROOKS: That's perfectly true. After ten years, a whole decade of work on that program, we are as far away from the objective now as we were in 1999.

NORTHAM: For the Government, the Health Minister, Mike O'Brien, acknowledges that the schedule has slipped, but insists that the escalation in costs from £1 billion to £12.7 billion is explicable and justified.

O'BRIEN:	This is a much bigger programme than we were
talking about then.	

NORTHAM:	But its still five years off?
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O'BRIEN: There have been some delays in this programme. Initially when this project started we got some, I think probably unrealistic, dates for delivery from some of these companies, and what we have been concerned to do more recently is say look, you need to have realistic dates when you can supply these things to us, and therefore we are not going to go public until we have got some clear dates from you when you can deliver each component of these things. Because yes, you know, there have been delays. Those delays haven't cost the taxpayer, they have cost the companies, they've taken the risk, but there have been certainly delays, and some of these companies have been more ambitious than they should have been with the sort of projects that they have said they could deliver at particular times.

NORTHAM: Can you understand, given the long delays, why people, there seems to be a widespread doubt that this will ever deliver a national care record service as envisaged by Tony Blair?

O'BRIEN: Well, I simply don't accept what you're saying. What we need to do is make sure that we have arrangements in place and a framework of understanding about how the contract will be delivered in the future.

NORTHAM: So what should the Government do now with the National programme for IT? In response to concern in Parliament, it has carried out a costbenefit analysis which is due to be completed by the end of this month and expected to be NORTHAM cont: published later in the year. There's no shortage of voices suggesting that the remainder of the project should be quietly binned. Three months ago, one particularly influential voice seemed to be among them - the Chancellor of the Exchequer, Alistair Darling, was pressed by Andrew Marr to identify possible public spending cuts.

EXTRACT FROM ANDREW MARR SHOW

DARLING: I do think it is necessary for me on Wednesday to indicate areas where we are going to cut spending or where we're not going to spend as much as we were. For example, the NHS has quite an expensive IT system that, frankly, is not essential to the front line. It's something that I think we do not need to go ahead with just now. But I will be setting out a clear direction of travel.

NORTHAM: In Whitehall there were frantic efforts to get this unsaid. The Health Secretary explained that what the Government really meant was that some £600 million could be saved from the total - about a 5% cut. But had the Chancellor let the cat out of the bag? The Health Minister Mike O'Brien doesn't believe so.

O'BRIEN: I think what you're looking at is an entirely different sort of area. What Alistair actually was talking about was there are parts of the long term project which we can, I think, do without ...

NORTHAM: He wasn't talking about parts, he said the NHS has quite an expensive IT system that frankly is not essential for the front line, that's something we don't need to go ahead with just now. He wasn't talking about bits of it, he was talking about the whole thing.

O'BRIEN: Well what I can assure you of is that large parts of this programme are already delivered. The NHS is already using them. Alistair certainly was not talking about taking them out or cancelling them, as the Conservatives seem to be doing ...

NORTHAM: Well what was 'don't need to go ahead with just now' mean then?

O'BRIEN: Well, what I was explaining to you was that what we are looking at is the way in which some of the elements of this programme don't need to be delivered.

NORTHAM: But even limited cuts could prove problematic. Tony Collins, Executive Editor of Computer Weekly, has kept a close eye on the National Programme for IT since it started and doubts whether the Government could achieve its target of £600 million worth of savings without considerable sacrifice, losing far greater capability from the system than it would save in cash.

COLLINS: They're hoping to convince the two main suppliers to the National Programme for IT that they should reduce the cost of the contracts, but from the supplier's point of view why would they do that? Now the only reason they would do that is if you take out of the contracts quite a lot of what we call functionality - features of the systems that need to be delivered. In return, they'll drop the price of the contract.

NORTHAM:	£600 million worth?	
601 J 194		
COLLINS:	A few hundred million pounds.	
NORTHAM:	And what about the commitments of the suppliers?	
Would they be reduced by the same amount?		
COLLINS:	My understanding is that the suppliers will get a better	
deal out of it because they could find over a billion pounds coming out of the contract in		
terms of their commitment in order to reduce it by a few hundreds of millions.		

NORTHAM: So they would take out £1 billion of commitments but only a few hundred millions out of the cost?

COLLINS: My understanding is that for every £1 that they agree to reduce the cost of the contract, £2 will come out, roughly speaking, in terms of their commitment.

NORTHAM:	So they're going to be quids in?

COLLINS:

NORTHAM: The opposition parties say they want to scrap large parts of the NHS project. The Liberal Democrats would abandon the whole thing if they could, and the Conservative Party's approach is almost as drastic - they would seek to dismantle the IT central infrastructure and halt and renegotiate the two main contracts. But they believe that Whitehall is urgently trying to reset these contracts in advance of the general election, which they fear could tie a future Chancellor's hands. The Government says it does want a new agreement with the industry by the end of this month, but this is just normal business because they are seeking a reduction in cost. Whatever the eventual outcome, it's unlikely to satisfy Edward Leigh, the Chairman of the Public Accounts Committee, who has judged scheme after scheme to be wasting taxpayers' money, and he wants whoever forms the next Government to take a hard look at IT strategy.

LEIGH: Politicians come up with these ideas, they want everything to be done immediately. They're very short termist, they want to create a quick impact very quickly, they are very naive about IT systems and the cost of IT staff. I think they're taken for a ride by very bright people who earn huge salaries in the private sector running these companies, and ministers come, they go and they add onto these things like a Christmas tree. What you should have is you've got to have one simple system, you pilot it, as simple as possible, rough justice, you stick to it, you don't keep changing your mind. Politicians constantly change their mind, constantly have new ideas, and of course they're just playthings for the private sector and we, the taxpayer, are paying enormous sums to companies to run these IT projects for us, to waste money for us. So I think now, once the general election is over, whoever is going to win I hope will just take a scythe through all these precious IT systems.

NORTHAM: For two decades, large-scale computer projects have first bewitched and then bedevilled Government Ministers. The Department of Work and Pensions, the court system, the Passport Office, the Child Support Agency, the prisons, the Probation Service, and now Fire Control, Rural Payments and of course the NHS. It's easy to see why a new Government, whoever is in Number 11, might try to make big cuts.

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They'll be very happy.

NORTHAM cont: The problem would be that, once you're locked into one of those well-crafted contracts, making changes or getting out completely can prove very expensive. We could all end up saving what the man running the Fire Control project said – something between little and nothing.

SIGNATURE TUNE