

Joint pain

IN THE drive for Whitehall "efficiency" savings, much is expected from "shared services" under which routine government tasks are lumped together and provided more cheaply. Well, that's the theory; in practice they're handed to the big IT firms and disaster is never far away.

One such plan was hatched among Britain's seven scientific research councils under Gordon Brown's last "efficiency programme". Announced in February 2008, the idea was for Fujitsu to bring together the councils' personnel, finance, procurement, grant-making and IT in a shared services centre that would be "fully operational by the end of 2009". Well, it's now 2010 and next to nothing is operational. The best gloss that the body responsible, Research Councils UK, can put on it is that some services are being provided to "more than 3,000 customers". The plan was for all 30,000 researchers across the seven councils to be using it by now.

Severe problems were evident back in December 2008 when the Swindon-based body fell out with Fujitsu. Panicking over litigation that the *Eye* understands has been settled with a multi-million pound payment to Fujitsu, the then project director Raymond Prud'homme told staff: "Effective immediately, all communications regarding the dispute will be dealt with by way of oral reporting... We need to exercise particular caution here also because RCUK can be subject to freedom of information act requests."

A bad 2008 then turned into a worse 2009. Two project directors later, Fujitsu suddenly pulled out of its contract, telling its employees via text messages one evening in October to leave the site by midday the following day. Research council staff were hastily told that in future "Fujitsu will be supporting the programme with a much smaller team". As with its £1bn NHS IT contract (*Eyes passim ad nauseam*), Fujitsu has left well short of fulfilling a big government project.

Costs, predictably, haven't just gone through the roof but have reached the stratosphere. The project was announced as a £40m deal with Fujitsu, with internal documents showing £4m in further costs. Research Councils UK now says: "The full cost of the project is planned to be £120m."

One insider tells the *Eye* the project was fatally flawed from the start because the needs of the separate councils are so drastically different that efficiencies of scale beyond existing arrangements were always unlikely. But inconvenient real-world facts like this could never be allowed to impinge on the more important matter of flattering Gordon Brown's hopelessly optimistic public finances.