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# Rocky start for Shared Services Centre

## Priceless moon rocks held hostage by courier company

**THE RESEARCH COUNCILS** and their money-saving Shared Services Centre (SSC) are at the centre of complaints about poor financial administration following incidents of late payment of bills and at least one visit by a bailiff to a research council institute.

*Research Fortnight* has discovered that, as a result of an unpaid bill, the courier company TNT refused to make deliveries to Polaris House, the research councils' base in Swindon. One such delivery in July contained "irreplaceable" moon rock samples, which the STFC looks after on behalf of the US space agency NASA. These rocks are loaned out to educational institutions and managed by the STFC's Science and Society Programme. According to an STFC spokesman, TNT did eventually deliver the rocks once their outstanding bill had been paid.

Dick Crofts, NERC branch president for the Prospect union, based at the British Geological Survey in Keyworth, Northamptonshire, says that the site's electricity was under threat of being switched off because the SSC failed to pay the bill on time. The debt was eventually paid—twice, he says.

Other NERC centres to have been blighted by problems include the Centre for Ecology and Hydrology in Wallingford, Oxfordshire. In August bailiffs attempted to confiscate computers at the site following the non-payment of a £11,729 bill for a telephone system. A NERC spokeswoman says that the council has taken responsibility for this error. The bill, however, was paid by the SSC as it had assumed responsibility for payments.

An SSC source revealed to *Research Fortnight* that these are not isolated incidents. The source adds that legal letters are being handled on a "daily basis" by SSC staff and that some bills have not been paid for months while others have been overpaid. Individual researchers have come forward asking about unpaid expenses. The source said: "The system they have built on paper is the most fantastic system in the world. On paper nobody can beat it, it is the superman of systems. However, working practice says different."

In a letter to NERC staff sent on 22 July, chief executive Alan Thorpe and Peter Telford, SSC chief

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executive, acknowledged that there were problems. The letter, seen by *Research Fortnight*, says: "We know that we are not paying quickly enough the invoices to suppliers for services they have delivered, or the payments to you for claims that you have submitted. This is placing a strain on you, and having a damaging impact on our relations with our partners," the letter reads.

However, the councils are not willing to be quite so candid in public. *Research Fortnight* invited Telford to respond to the incidents described in this article. In response we received a statement sent by email from SSC corporate communications manager Nicola Walter.

The statement said: "The SSC and the councils have dealt rapidly with the few minor hiccups that are to be expected in a project of this scale and complexity as councils have gone live. Over the next 10 years the SSC is anticipated to deliver benefits to the research councils of about £450 million, excluding implementation costs. Savings for this financial year are on target to be £25m and these savings are being reinvested into the core business of the research councils in supporting high quality research."

One finance manager at one of the seven research councils who has been involved in the SSC says that the councils need to stop putting a brave face on the situation. "The SSC will never pay for itself," he claimed in an interview with *Research Fortnight*. "Not in a million years." He says that many faults in the system were only discovered when it went live, despite years of planning.

According to our source, the incidents of poor administration have left research councils with little idea about the state of their own management accounts. "This is the year when they've got to count every penny because of the cuts, and they don't know what they've spent on what."

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