BRITISH BROADCASTING CORPORATION   RADIO 4

TRANSCRIPT OF "FILE ON 4"

CURRENT AFFAIRS GROUP

TRANSMISSION: Tuesday 19th October 2004   2000 - 2040

REPEAT: Sunday 24th October 2004   1700 - 1740

REPORTER: Gerry Northam

PRODUCER: Ian Muir-Cochrane

EDITOR: David Ross

PROGRAMME NUMBER: 04VY3042LHO

THE ATTACHED TRANSCRIPT WAS TYPED FROM A RECORDING AND NOT COPIED FROM AN ORIGINAL SCRIPT. BECAUSE OF THE RISK OF MISHEARING AND THE DIFFICULTY IN SOME CASES OF IDENTIFYING INDIVIDUAL SPEAKERS, THE BBC CANNOT VOUCH FOR ITS COMPLETE ACCURACY.

"FILE ON 4"

Transmission: Tuesday 19th October 2004

Repeat: Sunday 24th October 2004

Producer: Ian Muir-Cochrane

Reporter: Gerry Northam

Editor: David Ross

ACTUALITY OF PATIENT WITH DR PUJARA

DR PUJARA: Okay, come and sit down.

PATIENT: Thank you.

DR PUJARA: What can I do for you?

PATIENT: I have epilepsy and it's come up on my repeat prescription that you would like to see me.

DR PUJARA: Yes, that's right …

NORTHAM: For most patients, a visit to the GP now takes place in front of a computer.

DR PUJARA: What I'm just going to do is to actually just have a look at what medication you are taking, so we'll go into the medication screen …

NORTHAM: Britain's surgeries pride themselves on being among the world leaders in information technology - IT. Now the government is planning a huge new network covering all doctors and patients in England, and costing more than £6 billion - the biggest civil computer project in the world. But a specially-commissioned survey for File On 4 has found clinicians worried that this could become the latest in a long line of government IT failures. The latest and most catastrophic. Doctors tell us they fear the system under development will be a waste of money and that parts may even prove dangerous for patients.

SIGNATURE TUNE

ACTUALITY OF TRAINING

MAN: Okay, the next thing you need to do is select your patient.

GILMAN: Choose a book, request page.

MAN: So we can now go and select a universal booking reference number. So if we select the option …

NORTHAM: Training has just started for one of the first signs of the new NHS computer - a system called 'Choose and Book', due to cover the country by the end of next year. Dr Alan Gilman is learning how to make electronic appointments for his patients at local hospitals.

GILMAN: So we'll make this one urgent. Okay.

MAN: It's come up with four possible options now. So we can select one or more of those options and then view the available appointments at each of those clinics.

NORTHAM: Dr Gilman is promised an end to paperwork and delays, and the chance to book online as surely as a travel agent. But he wonders why doctors should have to take this on.

GILMAN: I can't understand why the GP has to do it. I think the idea of it being totally clinician-centred is probably erroneous, because I've got a very highly trained office with very skilled secretarial staff, and they process this sort of thing much better than myself. I think I do clinical work better than I do secretarial work.

NORTHAM: There are three initial areas for 'Choose and Book', known in the jargon not as pilots but as 'early adopters', and their locations have not been announced by the NHS, though they have been leaked as Archway and Edmonton in north London, and Barnsley in Yorkshire. Our request to visit one of the sites proved fruitless. Training for the Barnsley GPs is being carried out by the leading current GP software company EMIS, where Dr David Stables reports that early reaction is, like Dr Gilman's, lukewarm. And Dr Stables is critical of the way the project is managed.

STABLES: You normally do design and you show the end result to the end clinician, the end users and get them to identify the problems and to sign off the problems. Then, normally what happens is you trial it. What's happened this time is that a number of those checks and balances have not been in place, which means that we're quite a long way down the line without coming up against the real clinicians really making decisions about how this should happen.

NORTHAM: When you say the checks and balances haven't been in place, what hasn't happened that should have done?

STABLES: The fully working prototypes should have been shown to clinicians, a number of clinicians very early on.

NORTHAM: How early on?

STABLES: A year ago, in essence, right at the start of the project.

NORTHAM: And are you telling me that they weren't?

STABLES: No, they weren't. That hasn't happened.

NORTHAM: This is going to be a national system for the whole of England.

STABLES: This represents quite a difficulty. The two risks it creates are failure of the service itself and the failure of clinicians to engage in it. If you don't get the clinicians' engagement, you lose the benefit to the patient, which is what we're actually all after.

NORTHAM: But Choose and Book is a comparatively simple part of the whole scheme. There's also to be a vast national care records system covering the 50 million patients in England; and electronic prescriptions, computerised test results and x-rays sent by secure email. Each ward and surgery linked into a patchwork of IT systems all connected to the network. It's a prospect that genuinely excites NHS staff - if only they could believe it will work.

ACTUALITY WITH COMPUTER

DE KARE SILVER: We're looking at a clinical screen at the moment with some clinical information on it. And there's no box here either immediately adjacent to any of these fields or on the right hand side of the screen showing me as I'm completing this consultation what the clinical data was on the last encounter.

NORTHAM: Dr Nigel de Kare Silver is the local lead doctor for IT in Brent. As a GP, he's already adopted a computer system that suits his practice, and has been worked up and refined over the past decade. It's not the system that's been approved for his region, so he's facing the prospect of switching to new, as yet incomplete, software. This development stage is known in the trade as 'vapourware'. And what Dr de Kare Silver has seen of it hasn't left him confident that it's suitable for his surgery and his patients.

DE KARE SILVER: I was very upset by it. It looked like it would be a step backwards several years in terms of the facilities and features we have on current software. I had anxieties that patients may be put at risk from the system as it was.

NORTHAM: In what way could a patient be put at risk?

DE KARE SILVER: We were demonstrated features which could calculate specific risks, such as a risk of developing bedsores on in-patients in hospitals, which is a very valid feature. However, having calculated the risk, the fact that there was a high risk to this individual patient was buried on the screens. It would not be something which would be immediately visible to a new person, so a doctor to review how the patient was getting on would have no idea that this patient had a risk of bedsores. There was no warning box somewhere on the screen in the top corner suggesting that there was any risk feature at all, and it makes the whole exercise to accumulate that data and log in that data on the system redundant.

NORTHAM: And what do you make of that?

DE KARE SILVER: I think it's danger. Errors do occur because clinicians overlook something vital to their patients, and a clinical system must be able to support all clinicians at all times and have big red flashing areas under any risks whatsoever.

NORTHAM: And you're telling me that the system you've seen demonstrated doesn't satisfy you in that respect?

DE KARE SILVER: Absolutely.

NORTHAM: And Dr de Kare Silver has concluded that if the system isn't refined, he'll face a most uncomfortable choice.
If the Secretary of State or the Chief Executive of the NHS says to you, 'That's fascinating, doctor, however this is the system you're going to have and you're going to use it …' will you?

DE KARE SILVER: I would do everything I could not to.

NORTHAM: You would be obstructive?

DE KARE SILVER: Yes. I've got to use a system which is safe for my patients. That includes a system which is easy to use and rapid to use. I think the Secretary of State would find himself on very dangerous ground if he were to try and impose a system on clinicians across the country.

NORTHAM: They just wouldn't use it?

DE KARE SILVER: Yes. There have been reports of people being given IT in clinical services and having blank screens sitting on their desktops all the time, who have to be encouraged to use the systems, which means a softly-softly facilitated approach rather than an approach which imposes anything on people.

NORTHAM: Dr de Kare Silver complains that comments and feedback from doctors on this prototype have been largely ignored so far. But the NHS has told File On 4 that the eventual programme will satisfy his doubts:

READER IN STUDIO: Appropriate clinical warnings and alerts will be a feature of the system. The clinical details of such alerts have yet to be agreed, but clinical input is vital.

NORTHAM: One of the difficult lessons of past government computer fiascos is that it can be better to build on successful existing systems, rather than scrap them in favour of a new idealised programme. But more than half the GPs in the country currently use the software Dr de Kare Silver fears he's going to have to scrap. And in some hospitals too, well-established systems may be dismantled for reasons which seem hard to fathom.

ACTUALITY OF DR JACK BARKER AT COMPUTER

BARKER: This system is very useful for requesting tests. Previously we used to use a lot of pieces of paper and we had to write all the patient's name and address and everything on all of them. Now we can very quickly request tests just at the click of a few buttons, and the test request goes off to the lab and the sample gets taken.

NORTHAM: In a bright, modern ward at King's College Hospital in south London, Dr Jack Barker uses a successful and widely-liked IT system.

BARKER: Another thing that we can do is look for patients' x-rays on the computer, and this is a massive advance. This patient I have searched, based on his hospital number, and I find this x-ray of his lungs. This poor fellow has got a lung cancer.

NORTHAM: It's a system which Dr Barker has helped develop over the past five years.

BARKER: We started off just by reviewing results, so being able to see blood counts and x-ray results. We then went on to ordering tests, and we've gradually increased the amount it can do, so now we use it for doing discharge summaries, which are very important, especially if the patient comes back to hospital. We use it for clinical notes, so all the outpatient encounters get recorded on the system. And we're moving into being able to see x-rays and CT scans on the system, which is very important to us. The system itself didn't do everything we wanted, and we have had to do quite a lot in-house to make it work how we want it to work.

NORTHAM: Dr Barker is a computer enthusiast. With his encouragement, the whole hospital has adopted this system and found enormous benefits in time, efficiency and the certainty of records. So it's something of a surprise that he's not at the forefront of the plan for the national NHS network. The reason is a piece of bureaucratic rigidity. While many hospitals will be plugged into the network with the software he uses, the NHS has decided that King's College hospital will not.
 Is it that there's something wrong with the system that you've been using?

BARKER: No, I don't think so. The system that we're using has been adopted by 60% of the country, as I understand it. The difficult for us is we're in the wrong place. A different system has been chosen for London, and it's not the system that we have. So, as I understand it, our system has been approved as being a very good system. It's just that we are in the wrong place for it.

NORTHAM: How far away will there be hospitals using your system and accepted by the national programme?

BARKER: About fifteen miles, I should think.

NORTHAM: Where's that?

BARKER: Essex.

NORTHAM: So if you were in Essex rather than south east London …

BARKER: Then we would be using the same system that we're using now.

NORTHAM: It's a purely geographical line, is it?

BARKER: That is my understanding. It's very frustrating for us. It gives us considerable difficulties.

NORTHAM: Doctors in other parts of the country too have complained that they're being told they'll have no choice but to accept the computer system decided for them by the NHS. If they complain, they feel their voices are not heard. This is a symptom of a much wider and more menacing problem - a gulf of misunderstanding and lack of confidence which we've found threatening the success of this entire project. File On 4 commissioned a survey of a representative sample of over 500 clinicians, from the research company Medix, which regularly polls their opinions. These are the GPs and hospital doctors who will actually use the national computer system and on whom it will depend. Our first question is how far they have been involved to date in the preparations. Only 7% say they have been adequately consulted. A further 23% say consultation is inadequate, while the majority, 69%, say they've not been consulted at all. Some of the doctors' comments are:

READER 1 IN STUDIO: Another disaster awaiting doctors and patients, ill thought-out, no consultation.

READER 2 IN STUDIO: Complete shambles.

READER 1 IN STUDIO: I do not believe those responsible have a clue about what is really needed. It will be an expensive white elephant.

READER 2 IN STUDIO: Apart from surveys like this, I have heard virtually nothing about the project.

READER 1 IN STUDIO: A recipe for chaos.

READER 2 IN STUDIO: They are treating the profession with contempt.

NORTHAM: Out of 136 comments, only three are even vaguely positive. And one of those says, 'If it works it will be very helpful'. The chairman of the survey company, Robin Guenier, formerly ran the government's Central Computing Agency, under the Cabinet Office. He finds our results dispiriting.

GUENIER: It's a well-known fact in major programme implementation that the involvement of key users at an early stage is absolutely vital to the success of a programme. And here we see key users who have not been involved, plainly – that is a fact from our findings over and over again – and now we see the loss of morale that stems from that lack of involvement. It doesn't speak well for the programme that this is the case and it doesn't bode well for the future of the programme that this is the case. But I think the point is that this adds up to a picture of a profession which is lacking confidence, and that is rather different. A lack of confidence, coupled with the possibility of a lack of morale or falling-off of morale in association with an important new programme – and this is tremendously important – cannot be good.

NORTHAM: Our second question confirms a serious gap between the managers of the computer project and the people who'll have to work it in practice. We asked doctors who haven't already been adequately consulted how confident they are

NORTHAM cont: that they will be before the system is implemented. Only 2% say they're confident. 83% that they're not. Does this, then, suggest an important failing by the Head of the project Richard Granger?

GRANGER: Over the last two years we have involved thousands of frontline clinicians. You will find that we have a lot of work to do there, because of course the NHS is one of the world's largest organisations, with nearly 1.3 million people working for it. And we are on the cusp of beginning to do that, as we have real products to roll out to frontline NHS staff who work with patients.

NORTHAM: Does it not trouble you that only 2% of the doctors who haven't yet been consulted in our survey are confident that by the time it's implemented they will have been? 83% are unconfident. They're not hearing you tell them that you want their views.

GRANGER: And we have a lot of work to do in this space.

NORTHAM: Well why haven't you started?

GRANGER: We have started.

NORTHAM: But it's, you've been in the job for two years. Consultation at the very earliest stages is a key to success of an IT project, and you've got huge numbers of doctors saying they don't know anything about what you're doing.

GRANGER: We have a huge number of doctors who have been very busy delivering service to patients, who have seen in the past that promises around IT systems have not manifested themselves in delivery on the ground. And it has been my approach to get our delivery right, so that when we go and talk to them, we are confident about what we're delivering, we've had lots of people involved from all the communities of professionals across the NHS in the design, and when we say to people we're going to deliver things, they can have some confidence that we're going to deliver it. And that's been our approach, and it is different from the past. It's about doing, not just talking.

NORTHAM: Among doctors we've found, and repeated surveys have confirmed, a general enthusiasm for the idea of a national IT project. But there is real and widespread alarm that it may go horribly wrong. The NHS itself recognises a serious risk of failure. A document published by the Department of Health sets out the strategic programme for the new network. But a short section at the end analysing the risks has not been made public. It has, though, been leaked to one of the leading journalists in the field, the Executive Editor of Computer Weekly, Tony Collins.

COLLINS: The Department of Health has itself categorised this as a high risk project. It produced some documents called '21st Century IT' in which it set out the risks, and it had a points-based system for classifying those risks. And at the end of that it categorised the national programme as having a score of 53 out of 72.

NORTHAM: What does 53 out of 72 mean?

COLLINS: 72 is the maximum possible risk, and 53 means it's met quite a large number of the criteria for a high risk project. For a programme of that size involving several billions of pounds to be categorised as high risk I think speaks for itself. Probably the biggest risk with a national programme is that these systems go underused by clinicians, and there is no category in this risk analysis that asks the Department of Health to quantify the risk of doctors not using the system. So this risk analysis is in some ways an underestimate of the scale of the risk involved.

NORTHAM: Why is this score of the risk not in the published version of this document?

COLLINS: We can only assume it's because it's potentially quite revealing about the national programme, that they're spending billions of pounds on a system which is categorised by themselves as very high risk.

NORTHAM: The risk must be apparent from the large number of previous government computer projects which have turned into fiascos - the Passport Agency, Air Traffic Control, the benefits smart card, the Inland Revenue, Child Support Agency, and all the rest. Report after report has analysed the causes of failure, with lack

NORTHAM cont: of involvement of those using the system high on the list. One recent failure provides some particularly pertinent lessons for the NHS.

ACTUALITY IN MAGISTRATES COURT LOBBY

WOMAN: Anyone for Court 6 …

NORTHAM: This is the grand, high-ceilinged lobby of the Magistrates Court in the centre of Liverpool. Defendants meet their lawyers here, and cases have to be carefully registered and tracked. After convictions, records of fines need to be followed up to ensure they're paid. It's a complex, unending task for the court bureaucracy.

ACTUALITY IN COMPUTER ROOM

MARSH: We'll go through to our central cash office. Here we deal with all the fines and fees that are ordered against defendants in the Magistrates Courts in Merseyside. And you'll see as you look round that the staff have different screens on display. In one area you'll see staff with green displays, and in other areas you'll see staff with blue displays.

NORTHAM: At the headquarters of Merseyside Magistrates Courts, the Chief Executive Malcolm Marsh, has brought together the computerised record systems of the different courts, which were recently merged. The problem is his systems don't match, so staff have to juggle between them.

MARSH: Originally we were five separate entities and were brought together by the government as the new Merseyside Magistrates Courts Committee. We then inherited two systems. The systems cannot talk to each other, they're completely different, they operate in a different way, and so it means that we are effectively operating as two separate organisations when it comes to IT.

NORTHAM: What are the problems that having to work these two systems create for your staff?

MARSH: Well it means that we obviously in different
buildings we have staff operating different systems. If I can give you a practical example,
if you are a defendant who is fined in one part of the county, we cannot check on our
system to find whether or not you have fines in other parts of the county. We have to
come out of one system and go into the other and check against name, date of birth and
address.

NORTHAM: And this is time-consuming, is it?

MARSH: Undoubtedly. I mean, if a defendant phones in and
wants to pay a fine, the first thing we have to find out is under which system we're to
operate, whether it's with the one computer system or the other computer system, and that
will depend on where you were fined.

NORTHAM: But this was supposed to be sorted out years ago.
In 1989, the government of Margaret Thatcher decided to link this and all the other
magistrates courts in England and Wales into one centralised computer network, speeding
the administration of justice and ensuring that fine defaulters who skipped from one town
to another could be swiftly caught. The project became known as LIBRA. Frustratingly,
more than fifteen years and £400 million later, it still hasn't happened. And in echoes of
what's now being said about the NHS, one of the many things that went wrong with the
Magistrates Courts project was a failure to win the active co-operation of staff early on.
It was also decided that all the existing computer systems would be scrapped and a new
one written. The company implicated in the Magistrates Courts disaster is Fujitsu.
But when the NHS this year awarded the contract for the largest of its regions, the south, it
went to … Fujitsu. For the union representing court staff, the Association of Magisterial
Officers, Rosie Eagleson finds the company's record in her field lamentable.

EAGLESON: Things started to go wrong quite early on. We
almost immediately had delays in terms of developing the case management system, partly
because of their lack of knowledge of what happened in courts, and also because, for many
people, the stuff that Fujitsu put in was actually inferior to what they had had prior to that.

NORTHAM: It was a step backwards?

EAGLESON: Yes, yes, it was.

NORTHAM: But the whole point of this was to take the courts a step forward.

EAGLESON: Well, of course that was what people in the courts were saying, and not only was it a step backwards, but it also fragmented what had previously been integrated, so the case management systems that people had – that's the stuff that did the processing for them – then had to be cobbled together with the new equipment that Fujitsu had delivered, and that caused really massive problems for frontline staff, who were desperately trying to do a difficult job anyway, but were now trying to do it with computer systems that really were not delivering them the level of service that they needed.

NORTHAM: What kind of problems?

EAGLESON: Delays, computer breakdowns, slow processing, not being able to access information when it was needed. Very very basic support in delivering services to the public and keeping the courts running.

NORTHAM: How well did Fujitsu seem to understand the project that they had taken on?

EAGLESON: I don't think they really understood the courts at all. They didn't even understand the basics like you can't walk into a courtroom in the middle of the day and start drilling holes to put cables through. But they …

NORTHAM: While there's a trial going on, you mean?

EAGLESON: While there's a trial going on.

NORTHAM: The Conservative MP Richard Bacon reached a similar conclusion after a report from the National Audit Office and hearings at the Public Accounts Committee, of which he's a member.

BACON: As we said in our own conclusions, they didn't understand the Department's requirements properly. They took on excessive risks, they under-priced their bid, they raised their costs substantially within three months of becoming the preferred bidder. And then, several times afterwards, offering less and less while asking for more and more money, and they threatened to walk away from the contract and managed to negotiate a deal whereby the costs for them of walking away from the contract were less than the costs of staying. And the result of all that was that you had a project which started out costing £146 million rising to around £400 million, but which to date still doesn't work.

NORTHAM: What did you, as a member of the Public Accounts Committee, conclude about the performance of Fujitsu in that contract?

BACON: I concluded that the time has come to consider whether the government should be awarding further contracts to Fujitsu.

NORTHAM: You said that almost a year ago, in November 2003. Two months later Fujitsu were awarded the contract for the largest of the regions in the NHS computer system.

BACON: Amazing. Scary, isn't it? Especially when you consider that they've got the largest population group in England in their contract and they've put in the lowest bid.

NORTHAM: And the implication of that is what?

BACON: Well what I fear is that what may happen is what happened on the LIBRA project, which is that having put in a very low bid, the costs will then escalate over the life of the project and indeed will run out of control.

NORTHAM: Fujitsu weren't available for interview by File On 4. In a statement, the company tells us:

READER IN STUDIO: All the problems on our previous and current projects have been resolved. The resolution of these issues did prove a valuable learning experience for us and enabled the introduction of processes, which means we are able to run our current projects with much more confidence.

NORTHAM: Why did Richard Granger, the Head of the NHS computer project, decide to give a contract worth almost £900 million to Fujitsu?

GRANGER: All IT contractors have skeletons in the cupboard. Every single one. You happen to have picked on one with a particular issue on one of their contracts elsewhere in the public sector.

NORTHAM: Well it was described by the chairman of the Public Accounts Committee as 'one of the worst IT projects I have ever seen, a shocking waste of money,' and he said the company had run rings round the government.

GRANGER: We have contracts in place with our suppliers which have been adopted as the gold standard for securing the delivery of IT services and are going to be rolled out across the rest of the public sector. We have the best contracts that could be put in place, so making sure that our suppliers deliver is something we've assured through a high quality contracting process.

NORTHAM: You're going to be watched on this. A member of the Public Accounts Committee, Richard Bacon, who said the government should consider very carefully whether Fujitsu get any more contracts, has said to us that he thinks it's amazing that you've given them a contract for the largest region in England, and if something goes wrong with that, it's not just Fujitsu's head that'll be on the block, is it?

GRANGER: We have a contractual structure which we published in January last year which sets out the requirement for us to have intervention rights in the event of supplier failure. So in the event that a supplier or subcontractor were unsuccessful, we do have structures in place to deal with that, and in an industry which is about 40 years old and relatively immature on a programme which runs out over ten years, I would expect that there will be supplier failure and delivery failure in parts, and it is my responsibility to plan for that.

NORTHAM: It's going to happen?

GRANGER: It is likely, on a programme of this scale, that there will be issues with some suppliers.

NORTHAM: That they might go out of business, you mean, or threaten to walk away from the contract?

GRANGER: There will be adverse acquisitions of suppliers by organisations, there will be delivery issues where we have to intervene.

NORTHAM: Are you expecting this to happen with Fujitsu?

GRANGER: I'm not expecting it to happen with any of the suppliers that we have at the moment.

NORTHAM: You just said you were.

GRANGER: At the moment. The supplier community that we have assembled across the programme over ten years, there will be turbulence.

NORTHAM: Over the past week, the full cost of the NHS computer has been in the headlines, with a wide range of estimates – and some anxious predictions that health budgets may be stretched to breaking point. The initial investment in hardware, the computers, and software, the programmes, totals £6.2 billion which will come from central funds. But the full cost of implementing any IT system is much greater than the price of the kit. At the health division of the British Computer Society, Jean Roberts suggests a range of likely totals heading up towards the stratosphere.

ROBERTS: To get these new systems introduced, the people competent to use them and for them to be day-to-day support tools will require somewhere, according to the people in the field, between four and eight times the initial investment.

NORTHAM: That's between £24 billion and £48 billion being the total cost of implementation. What on earth would all that extra money buy?

ROBERTS: All the staff who enter patient data, who inquire about patients, will have to be trained in the new systems. When you take away a ward clerk, when you take away a nurse from the ward, you have to provide additional service.

NORTHAM: You mean someone has to come in to cover for them?

ROBERTS: That is correct. Or else you are jeopardising patient care, which is the ultimate thread of what we're putting these systems in for. The thing to realise is that that £24 billion – or whatever the sum is – actually isn't all new money. We must remember that it does cost money to run the existing systems. But it's nowhere near the amount of money that is going to be required to run the new systems. This is still a considerable amount of investment that's required to come from the local organisations. At the moment it doesn't come centrally, so that is actually challenging local health authorities to find large amounts of money.

NORTHAM: When suggestions of a final price tag way beyond the initial £6 billion surfaced, the Health Minister John Hutton made an appearance at short notice on the 'Today' programme, trying to calm speculation.

EXTRACT FROM 'TODAY'

HUTTON: We spend £1 billion a year on implementing our existing IT systems.

PRESENTER: Yes, but how much is … the question is, how much is the new system going to cost to implement? You should have an answer to that, shouldn't you?

HUTTON: Yes, and we think it's going to cost the same as we're currently spending, £1 billion a year.

NORTHAM: 'We're not going to ask the NHS to carry an unsustainable financial burden', Mr Hutton said. 'We are not stupid.' But is the minister right that existing IT budgets will cope? File On 4 has spoken to an experienced IT manager in a large hospital Trust, who doubts it. He agreed to discuss budgets on condition that he is not identified, so his comments are read by an actor.

READER IN STUDIO: NHS Trusts are already at saturation level. IT support staff are already working flat out. This £1 billion is predominantly committed for staff to support existing IT systems. To a certain extent these staff can be transferred to the new national programme, but it won't be enough by a long way. NHS Trusts will need significantly more resources to meet the demands of the new project.

NORTHAM: Other NHS managers have spoken in similar terms to the journalist who first broke the story, Tony Collins of Computer Weekly.

COLLINS: Their budgets are largely absorbed at the moment with staff costs and with systems that will continue to run, even when the national programme has delivered its own systems. There are finance systems, payroll, manpower, staff rostering, procurement, stock control. All these systems will still remain after the national programme and have to be paid for from the existing budgets, as do the salaries of the IT staff. One Trust IT director has reported to his board that he's been able to close a gap of £1.2 million between what he needs to finance the national programme and what money he has available, and he has reduced that to £498,000, but still the board can't finance that remaining sum, and they have told him that they support the programme but he can't have the money. So I think that there seems to be one idealistic view of the finances of the project at the very top, but for the pragmatists at the level of the Trusts, they're having problems already finding the money.

NORTHAM: The Head of the project, Richard Granger, speaking for the first time about the question of funding, insists that there will be no real problem, in fact no problem at all.

GRANGER: We already spend in the NHS £1 billion a year on IT.

NORTHAM: Yes, but some of that will continue to run payrolls and so on. It won't be transferred to this.

GRANGER: Some of it will, some of it will be savings, which will be available to assimilate these systems.

NORTHAM: How much new money is going to have to be found by the health service in England over the ten year period to implement this whole programme?

GRANGER: The programme is fully funded. You will see a target of 3.5% to 4% of total NHS budget to be spent on making the right information available to run the NHS and serve patients, and we will sit well within that envelope.

NORTHAM: Well that's somewhere between £35 billion and £40 billion over the decade.

GRANGER: For all information systems, not just the clinical systems I'm delivering.

NORTHAM: And where's all that money going to come from?

GRANGER: That money is already in budget and fully funded.

NORTHAM: So the Primary Care Trusts and the Hospital Trusts that are worried about this, as their managers say again and again they are, have no cause for concern, it's already in the budgets?

GRANGER: They have a 10% year on year increase in funding at the moment to accommodate activities such as this. The money is there, this is fully funded and we are on budget.

NORTHAM: But the hospital IT manager we've spoken to is adamant that, despite these assurances, there remains a real shortfall in the funding.

READER IN STUDIO: We just don't know where the funds are going to come from. The money doesn't exist at the moment, so presumably we will have to find it from existing funds. That means assigning staff to new roles or cutting back on services. There is an affordability gap.

NORTHAM: We asked doctors in our survey if they expect the IT project to deliver value for money. Only 3% say it will. Three-quarters, 75% say it won't. When we asked if doctors are confident that the management of the project will avoid the difficulties and failures seen in some other government IT projects, again only 3% say they are confident, 77% say they're not. So this is an all too familiar picture - uncertainty over the true cost of a computer programme, reluctance to adopt parts of the system, a general failure to win the hearts and minds of the staff who'll have to make it work. NHS staff are beginning to wonder, with the former government computer chief Robin Guenier, if this really will be the huge IT programme that breaks the mould of failure.

GUENIER: For some strange reason people never learn. Commonly you get new people coming in anyway, reports on earlier failures are rather boring, recommendations about how to avoid failure tend to be ignored. Time and time again, managements in all types of organisations make the same mistake.

NORTHAM: And the NHS, on your analysis, is currently making the same mistakes as have been made in previous computer failures?

GUENIER: I think there has to be some concern that the risks are quite great of that sort of failure. There are quite worrying signs that many of the clear factors that can bear upon the success or failure of a major computer project – or indeed on almost any project – are being ignored in this case.

NORTHAM: The National Audit Office has already launched its first investigation of this project, unusually early in its life in view of the huge scale and acknowledged risks. The Commons Public Accounts Committee will be watching like hawks. As for the 50 million of us whose records are due to be computerised over the coming twelve months, we can only do what patients always dread - just wait and keep our fingers crossed.

SIGNATURE TUNE