

# Ranking Wasteful Government Projects

All of these come from [Ben Chu's tweet](#), which you can read 'unrolled' [here](#), and which refers to his article in The Independent, dated 11/3/21, entitled '[Is test and trace really the most wasteful public spending programme ever?](#)'

## Suggested Activities

- Put the cards in chronological order, to give a sense of a timeline
- Rank by total cost in nominal, then real terms. What, if anything, changes?
- Rank by overall wastefulness, thinking about
  - The intentions of the project
  - How well the project met its intentions
  - The costs of not delivering its aims
  - How long the spending was over
  - How avoidable the waste was
  - Any unintentional benefits of the project
- What do these projects have in common?
- How could you group these projects?
- What lessons can we learn from these 'failures'?


Chu suggests 4 lessons:

- Modest plans are often preferable to large-scale, headline-grabbing projects.
- Building on what is already available helps to prevent problems of starting from scratch
- Central schemes aren't always preferable to local ones, especially where successful practices are already in place
- Ministers should not be afraid to scrap projects when problems start to mount (Perhaps a discussion of sunk costs would be helpful here)




## Gas-cooled nuclear reactors

- Technology commissioned by Harold Wilson government in 1960s
- Massive delays & none sold for export.
- Total construction costs some £95bn today.
- Plus tens of billions of pounds of decommissioning costs still on public balance sheet

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
## Test and Trace

- £37bn over 2 years
- Over-reliant on consultants, with some paid more than £6,600 a day
- Never meeting its target to turn around tests done face-to-face within 24 hours
- Contact tracers only having enough work to fill half their time even when cases were rising

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## Public Services Pension Reform

- Coalition in 2010 made public sector pensions less generous, but let workers less than a decade from retirement stay on old system
- Was ruled age discrimination in court in 2018.
- Estimated cost to taxpayer of rectifying: £17bn

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## The NHS IT system

- Commissioned by the Blair government in 2002.
- Supposed to deliver full digital integration by 2005.
- Massive cost overruns and technical problems.
- Scrapped in 2011, with total cost estimates of £20bn. £24bn in today's money

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## Millennium Dome

- Inherited, but greatly expanded by Blair government after 1997.
- Given away to property developers in 2001 after sale attempts fell through.
- Total construction cost of £780m, or £1.3bn today

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## Concorde

- Anglo-French supersonic jet project forged in 1962 under Harold Macmillan.
- Not a single aircraft ever commercially sold - had to be foisted onto BA and Air France by ministers
- More than £1.2bn spent on development by UK and France, around £10bn today

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