

## **REPORT OF THE CABINET MEMBER FOR FINANCE AND RESOURCES**

### **CURRENT APPROACH TO ARTIFICIAL INTELLIGENCE IN NOTTINGHAMSHIRE COUNTY COUNCIL**

#### **Purpose of the Report**

1. To update Councillors on the background and activities being undertaken within Nottinghamshire County Council relating to Artificial Intelligence (AI) and how this can support the delivery of services moving forward.

#### **Information**

2. There is considerable content being produced in the media about Generative AI and this is producing a great deal of excitement and investment in the technologies that underpin the functionality associated with Generative AI. However, while the technology will change the world of office-based work consideration needs to be given to where the technology makes the biggest difference and when to deploy it as the technology is not free to use. In addition, there are risks that also need to be considered when deploying Generative AI and the other variants of AI, that can reduce the bureaucracy and drudgery associated with administrative tasks.
3. The excitement was created by ChatGPT which is a series of Large Language Models (LLMs) backed up by Foundation Models that undertake machine learning based of large amounts of data. The trigger was being able to use these models to translate, interpret and then Generate new artifacts with similar characteristics which gives the impression of unique thought even though that is not the case. ChatGPT offered immediate benefits to people to write documents and summarise large documents.
4. While the excitement has driven usage there are some risks associated with the technologies and some have been well publicised such as AI being used to provide legal advice which turned out to be wrong. AI hallucinates, it is not lying or, misleading rather it is using the data and algorithms it has to produce output. The data can be wrong, change over time due to greater ingestion of data or, the algorithms can alter. So Generative AI needs to be deployed cautiously with human oversight and critical thinking to ensure the output is accurate.
5. AI is more than Generative AI, it can also support the automation of complex processes and decision tree activity that is undertaken on the phone or, online using Chatbots. They use some of the same technologies but eliminate the Generative element as the process are

modelled to give a definitive response or, route through to a person to resolve where there is any element of discretion or, further clarity required. In addition, where there is the potential for a significant emotional response then that needs to be considered fully before automating such processes.

6. Inclusion is another area that needs to be considered when deploying such technologies however, the technologies can support greater inclusion by automating and/or making what can be challenging processes for individuals easier.
7. Nottinghamshire was part of the Microsoft Early Adopters Pilot in October 2023, utilising M365 CoPilot (used with the Office Suite of products) together with a small number of Local Authorities. This enabled NCC to deploy up to 300 licenses following a significant programme of training and “teach in” sessions to help people to become familiar with what the product could do. Of the 300 deployed over the year 2023/24, 70 were repatriated due to low or, no usage and redeployed through the year of the trial.
8. It should also be noted that the “free” version of CoPilot has already been deployed to encourage use of the software in a managed way. It would be naive to assume that people that want to use these technologies are not already doing so. Giving a broader population access to them in a controlled and managed fashion enables people to become familiar with the technology in an unthreatening way.
9. It has proven challenging to identify savings from these deployments and that has meant introducing a methodology for charging that puts the onus on the end user to fund the license on a business case basis which needs to be approved by the budget holder. Once this was introduced the number of licenses actually funded dropped to around 100.
10. There have also been some challenges, in what were considered to be early wins, such as redactions and Chatbots proved more technically challenging than the early demonstrations suggested and required different software tools (there are numerous versions of CoPilot). While this landscape is changing fast the initial “hype cycle” has reinforced how new the technology is and how quickly the landscape alters. Chatbot functionality has improved considerably from 15 months ago where a software partner would have been required to produce any functionality in this area with the associated maintenance and future development costs. Today this is much more straight-forward and while it requires additional software it is being trialled internally to establish the best way to introduce this into NCC.
11. A process has been established that enables colleagues to try the product for a period of 4-6 months before they are charged, the funding for this is covered through a technology investment fund. This enables colleagues to determine what areas of their business might benefit by utilising controlled experimentation to be undertaken.
12. There are other specific business areas that have been highlighted as potential time saving mechanisms using AI. The first being the transcription of formal meetings in Adults, Social Care and Public Health, and the second being Education Health and Care Plan production. Currently there are offerings from AI start-up companies in these areas however, the actual costs are not entirely transparent so the approach being taken is to define NCCs requirements and then establish what is the best software tooling for that purpose. This also means that any compromises in relation to the overall technical architecture can be established and identified for future mitigation. It is likely that some tactical solutions will be deployed but this will only

be done with an understanding of how NCC moves to a more sustainable solution(s) over time.

13. The principal areas that benefited from the M365 CoPilot deployment in the early adopters programme were, summarisation of meetings or, documents. Document creation has also proven useful, but it is not straight-forward to quantify the time saving from this. This has been made more opaque by the plethora of products and upgrades that have been released over the last year. This means being slightly behind the leading edge gives the opportunity to take advantage of the products with the greatest chance of success as there is no need for a distress purchase of products that may be promising the earth and then potentially failing to deliver. Examples of the usage feedback is in Appendix A which supports this analysis.
14. Other considerations that are also being taken account of are the Line of Business applications such as Business Management System (BMS) and Mosaic (the Social Care application). Both applications need either re-platforming or, upgrading. The applications are ageing and in the situation of BMS the version NCC is running was released in 2004, this means the newer version will have AI technologies (in the areas of automated workflow and sophisticated Optical Character Recognition (OCR)), that will be built into the base product and everything else that has improved in the last 20+ years. In the case of Mosaic the Access Group who own and maintain the product are keen to ensure that it is their AI offerings that are utilised in this area to increase their revenue stream but tis also minimises NCCs exposure to multiple technical solutions and the associated costs, integration, and upgrade expense associated with multiple applications. This means that the AI functionality will come with the LoB applications and NCC is checking with the suppliers to ensure we do not duplicate that functionality with all the associated issues that brings.
15. There are other areas that will benefit from the deployment of AI technology and this needs to be undertaken in a joined-up manner to ensure NCC gains the benefits of the software across all of the functions. The interaction with the citizen is an area where a coordinated approach will help to ensure that there is a level of consistency in NCCs interactions and the ability to move people from telephony channels to online where this is appropriate. Increasingly Millennials and Gen Z expect an online interaction to be faster and easier than face to face and increasing proportion will not use the phone or face to face contact. Putting a better online offer in place will ensure that these groups continue to be included in the NCC communication channels.
16. All of the above needs to sit within the overall strategic technical infrastructure plus ensure that it supports the data strategy. Data is critical to the operation of these software and as such getting a common definition and ownership (Taxonomy) across NCC and its partners will support the deployment of these toolsets and ultimately make them more reliable. The data does need to be cleansed to achieve this as duplicates, omissions or, errors make the models themselves more prone to error or, hallucinations.
17. Lastly all of the future purchases will need to be undertaken with an understanding of how these might support any changes in local government as outlined in the recent white paper. This does not infer any delay or, acceleration of software (AI tooling) purchase, rather the opportunity to ensure that NCC is best positioned to support those changes moving forward in a way that best supports Nottinghamshire citizens. So any systems dealing with the public should have the capability to deal with high volume, standardised enquiries online and via

chatbots. Having such functionality in place will enable decisions to be made on a policy basis rather than the mechanics of systems.

### **Statutory and Policy Implications**

18. This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance, finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, smarter working, sustainability and the environment and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

### **Financial Implications**

19. There are no direct financial implications relating to the recommendations of this report.

## **RECOMMENDATION/S**

- 1) That Overview Committee consider and comment on the current approach being taken by the Council on Artificial Intelligence (AI).

### **COUNCILLOR RICHARD JACKSON**

### **CABINET MEMBER – FINANCE AND RESOURCES**

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### **Constitutional Comments (LPW 14/01/2025)**

20. The recommendation falls within the remit of Overview Committee by virtue of its terms of reference.

### **Financial Comments (PAA29 09/01/2025)**

21. The financial implications are set out in paragraph 20 of the report. Whilst there are no specific financial implications arising from the report, any proposed work on Artificial Intelligence (AI) that is not already reflected in the Council's budget will be brought forward for consideration and approval. This will include details of the estimated revenue and capital costs along with the proposed funding.

### **Background Papers and Published Documents**

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

- None

**Electoral Division(s) and Member(s) Affected**

- All

## **Appendix A**

Feedback on usage.

Two detailed examples: -

### **Microsoft Copilot 365 pilot feedback from a Team Manager ASCH.**

**Pilot Program Experience:** They shared their experience with the pilot program, mentioning that they have been using it for a couple of months now, as they joined the pilot late.

**Supervision Sessions:** They discussed using CoPilot for supervisions, noting that it helps them actively listen to their staff and improves the flow of the meetings. They went on to mention that they had presented a, Principal Social Worker with two copies of their supervision notes, one of which had been created using Copilot 365, the others were handwritten notes. The Principal Social Worker confirmed that if they had been quality checking the notes created by Copilot, they would score them as excellent.

Learning how to work more effectively with the copilot does take time, particularly in how to ask questions (prompts) to get more detailed responses.

Feedback from staff has been positive about supervision sessions, as they felt the sessions had a better flow and allowed for more active listening.

They emphasised that the copilot is an assistant and will always require some level of human intervention to ensure completeness and accuracy of the captured information as it is not always accurate and does not always capture all details.

They used Copilot in safeguarding and multidisciplinary meetings, noting that it captures a lot of details and produces better notes than some note takers.

The efficiency of the copilot in producing and distributing notes and action items quickly, especially in urgent multidisciplinary meetings was identified. Attendees have commented on the speed of response and congratulated them on it.

It was also identified that Copilot allows them to focus on the meeting rather than taking notes, which enhances engagement and participation.

The usefulness of Copilot in urgent multidisciplinary meetings, where it helps produce and distribute notes and action items quickly was highlighted.

CoPilot was utilised in a scenario where numerous professionals, including councils, health, police, and CGL, were involved in an urgent meeting, and how copilot helped produce and distribute notes promptly.

Copilot was used with newly qualified social workers, finding it helpful for active listening and ensuring all necessary information is covered.

Copilot was and can be used to soften the tone of an email, finding the result impressive and more suitable.

It was highlighted that colleagues who have seen Copilot in action are interested in using it themselves.

In Face-to-Face supervision they noted Copilot cannot currently be used as it struggles to identify who is speaking.

They emphasised the positive impact of Copilot on their well-being, as it reduces the need to stay late to type up notes and helps manage their workload more effectively.

### **Feedback from Social Work Support Officers (SWSOs) – Microsoft CoPilot 365**

As part of the Business Support Role review project, Microsoft Copilot 365 licences were allocated to 9 x Social Work Support Officers to trial as part of ICT Services Early Adopter Programme (EAP). The pilot was relatively short with the licences being allocated at the end of August and the EAP coming to an end early November.

A call was held on the 29th of October to gather feedback from the pilot. This included the following statements: -

- Time was saved in helping to create a process guide for SharePoint.
- The time taken to check the transcripts outweighed the benefits. Copilot's spelling and grammar often needed correcting, with transcripts needing to be triple checked.
- Copilot was unable to accurately identify individuals on a call.
- Many of the meetings were very sensitive in nature and the outputs from Copilot didn't feel authentic.

The training materials provided via the EAP were useful and the SWSOs found the product intuitive and easy to use. They particularly liked the introduction session delivered by Phoenix Software. It was helpful that this session was recorded and could be viewed when the time allowed.

The team have decided not to proceed with the licences currently.

