

Slough Borough Council

Report To:	Cabinet
Date:	16 March 2026
Subject:	Procurement of Generative AI Product(s)
Lead Member:	Cllr Mabu Shaik - Customer Service, Front of House, IT and Performance
Chief Officer:	Ian O'Donnell, Executive Director of Corporate Resources
Contact Officer:	Martin Chalmers, Director of Digital, Data and Technology
Ward(s):	All
Purpose of report:	For decision
Key Decision:	YES
Exempt:	NO
Decision Subject To Call In:	YES
Appendices:	None

1. Summary and Recommendations

1.1 Digital, Data and Technology (DDaT) has run two successful proof-of-concept projects – in social care and SEND - using generative AI to transcribe and summarise meetings, and to generate documents. On the basis of this success, and as part of the delivery of Transformation, this report recommends the full procurement of such a tool (or tools).

Recommendations:

Cabinet is recommended to:

- 1) Grant delegated authority to the Executive Director of Corporate Resources – in consultation with the Lead Member for IT, Customer Services, Revenue & Benefits, Procurement and Performance, to procure and award contracts to one or more Generative AI products for meeting transcription/summarisation and document generation, with a contract duration of up to 2 years and a maximum value not to exceed £225k pa.

Reason: To act as an enabler of the automation programme within the Transformation portfolio agreed as part of the 2026/27 3-year MTFS.

Commissioner Review

Commissioners are content with the recommendations within this report. Any financial implications are contained within the medium term financial plan.

2. Report

Introductory paragraph

- 2.1 One of the most prominent applications of generative Artificial Intelligence in local government has been its use to transcribe meetings and to generate documents based on those summaries and/or other source documents. The Digital, Data and Technology service (DDaT) has run two proofs of concept using such tools.
- 2.2 The proofs of concept suggested that such tools could generate time savings equating to around 70 FTE across the areas where they were run. It should be noted, however, that savings may be best realised in some cases by redeploying the saved time to reduce costs in other areas, for example through the clearance of backlogs that drive failure demand. Nonetheless, the case that this type of tool has the capacity to be a driver of savings and effectiveness benefits is clear. For that reason, procurement of such tooling is recommended.

Options considered

Do Nothing

- 2.3 Doing nothing would mean forgoing savings and other benefits, including reversing the progress already made through the proofs of concept.

Background

- 2.4 One of the most prominent applications of generative Artificial Intelligence in local government has been its use to transcribe meetings and to generate documents based on those summaries and/or other source documents.
- 2.5 The Digital, Data and Technology service (DDaT) has run two proofs of concept using such tools. The purpose of these was to establish what business benefits could be delivered and how risks – for example of errors in transcription or hallucinations in document generation – could be managed.
- 2.6 Both proof of concept projects were initiated in summer 2025, with an assessment report in October 2025. Based on the results of those assessments, internal business cases were agreed to continue use of the tools pending a decision (which was dependent on the Budget) as to whether to procure one or more tools of this nature.

Social Care Proof of Concept – Magic Notes

- 2.7 The project was initiated in summer 2025, with an assessment report in October 2025. Based on the results of that assessment, an internal business case was agreed to continue the assessment pending a decision (which was dependent on the Budget) as to whether to procure a tool of this nature.
- 2.8 The tool was tested by 21 staff in Slough Children First and 29 staff in Adult Social Care. Applications of the tool included:

- Recording and summarisation of meetings including home visits, case discussions and multi-disciplinary team meetings
- Production of reports using specific templates which were developed by the supplier in consultation with staff, including Carers Assessments and Case Supervision reports
- Follow-up activities including the production of emails and letters

2.9 The assessment found:

- On average, the writeup time for assessments was reduced by 50% (1.6 hours)
- Assessments and reports were submitted 60% faster (2.6 days)
- On average, users saved 5 hours per week in administration time.
- 95% of users stated that the product dealt well with strong accents and 88% that it dealt well with translating to and from other languages. (The issues reported related to Punjabi and Hindi, and this was an aspect of functionality that was actively being addressed by the supplier.) Staff for whom English is a second language reported benefits in their ability to produce high quality documents.
- 100% of the staff in the test group wanted to continue using the tool. 46% indicated that availability of the tool would influence their decision to remain with the organisation.

2.10 Encouragingly, users worked proactively with the provider on the development and refinement of the templates that guide the AI functionality. This emphasised the importance of ensuring that template development by the supplier is included as a mandatory service requirement for any procurement.

EHCP Proof of Concept – Agilisys

- 2.11 The tool produces draft Education Health and Care Plans based on the reports provided by the various specialists and other stakeholders involved in each case. Similarly to the Magic Notes case, the supplier works with the client to develop a template reflecting local EHCP practice. The tool summarises the information from the input reports into the relevant sections of the plan, identifying where there are possible differences of opinion between the input documents. Both the draft EHCP and the input documents are marked up so that the user can see where input has been drawn from and can also check that all substantive elements of the source documents have been reflected.
- 2.12 As of February 2025, 8 people have been trained to use the tool and it has been used for 175 EHCPs. The time saving is in line with the typical saving of 40% found by other authorities: 4-5 hours for the most complex plans. *Potential benefits and their realisation*
- 2.13 The proofs of concept demonstrated clear potential for efficiency savings. As an indication of the scale of potential benefit, the value of the time saved by the tools, based on the October 2025 evaluations, extrapolates to around 70 FTE across Adult Social Care, Slough Children First and Education.

- 2.14 However, there may well be more effective means of realising savings from use of the tools than purely through staff reductions. For example, considering the services in which proofs of concept were run:
- Reduction in backlog of Adult Social Care reviews and assessments – around 5,000 tasks are overdue at the time of writing, of which 1,400 are overdue by over a year. Increasing timeliness of assessments and reviews will both reduce the risk that delays might lead to increased care needs and realise any opportunities where packages of care could be reduced.
 - Reduction in ECHP backlog – this is of the order of 200 cases and has resulted in ombudsman recommended financial awards of £100k in the past 18 months
 - Reduction in EHCP annual review backlog (currently of the order of 2,500), allowing packages to be adjusted to ensure that service user needs are being properly met and potentially to realise savings
- 2.15 However, the potential application of such tools is broader. For example, Housing has joined the project testing the use of Magic Notes, and that tool is also being used by Executive Assistants for the minuting of meetings, including the Corporate Leadership Team.
- 2.16 The automation programme within Transformation will include work with the leaders of services employing AI tools to identify how savings would best be implemented. The intent is for the continued provision of AI tools to be funded primarily from the realisation of savings in year 2 and wholly by year 3 of their deployment.

Managing the risks

- 2.17 In order to manage security and privacy risks, it will be a mandatory requirement that tools comply with the Council's requirements around storage of data. In particular, Council data will be held in the UK and isolated from suppliers' wider systems. For example, our data will not be used to train the large language models used by AI tools.
- 2.18 In line with the Council's AI policy, it will be a requirement that there is a "human in the loop" for all processes so that, for example, a letter based on an assessment cannot be sent without both the assessment summary and the letter being checked by the case worker. In the case of our social care proof of concept, supervisors specifically adapted their practice to check that this principle was being applied.
- 2.19 It is notable that partners such as Thames Valley Police, having been briefed on the protective mechanisms we have put in place, have been willing to engage with our use of the tool in the social care proof of concept.

Approach to market

- 2.20 Both the products used in our proof of concept offer functionality covering the total requirement of both projects. There are also alternative solutions available, for example from ICS.AI.
- 2.21 Consequently, we intend to engage in a selection process that enables products (and the associated services such as template definition) to be compared, to identify the product – or products – that offer best value for money.

- 2.22 The basis of product pricing varies by supplier. It is generally an annual charge related to the level of consumption. Typically it is possible to increase consumption level during the term of a contract, although this can be more expensive than making an up-front commitment.
- 2.23 Were the application of the capability to be limited to the areas covered by the proofs of concept run so far, the product cost would be of the order of £150k pa. Were there to be a broader deployment – which would of course be conditional on there being compensating financial benefits – the cost could be of the order of £225k pa, and this is reflected in the request for delegated authority.
- 2.24 Because of the rapidly evolving nature of this technology, it would not be advisable to let a contract with a supplier for longer than 2 years.
- 2.25 Within the parameters of the delegated authority, the length of the contract to be awarded and the amount of consumption to be committed at the outset will be determined based on suppliers' offers and the opportunities for deployment benefits identified at the time.

3. Implications of the Recommendation

3.1 *Financial implications*

The report sets out an enabling investment of up to £225k p/a, which is included as part of the £15.6m revenue transformation funding approved by Cabinet in February 2026. The report sets out approval to procure however, once procured, the cost of the software will depend on the number of users and extent of roll-out across the Council, up to the specified maximum.

The investment will contribute to the delivery of a savings target of £1.350m across the MTFs (£0.675m each in 2027/28 and 2028/29) associated with the Corporate Automation and Workflow Programme.

A mechanism will be put in place to ensure that, where this investment contributes to the savings target, roll-out will be contingent on businesses cases to the Design Authority that identify and release savings from the Directorate using the software.

3.2 *Legal implications*

3.2.1 There is an option to procure suitable product(s) using a compliant government framework, expected to be C-Cloud 15.

3.2.2 Generative AI has the potential to accelerate and support decision-making processes, especially when dealing with large amounts of data. It is essential to ensure that decisions are made with the support of AI systems and therefore the role of officers in decision-making is key. Care also needs to be taken to ensure ethical use. AI systems are based on prediction based on access to data, but this does not mean what it produces is factually correct or an appropriate recommendation. Therefore due diligence checks must be built into processes that are reliant on the use of AI. The Government has produced guidance on the use of AI in the public sector. This includes reference to the Alan Turing Institute FAST Track Principles of Fairness, Accountability, Sustainability and Transparency. These require consideration in relation to the quality of data being accessed, considering any discriminatory impact, implementation in an unbiased way, ensuring a continuous chain of responsibility and activity monitoring, ensuring

system accuracy, reliability, security and robustness and having the means to explain to stakeholders how and why a model performed in a particular way and be able to justify the ethics and trustworthiness of the outcome and processes behind its design and use.

3.3 Risk management implications

3.3.1 The table below sets out the key risks and mitigations associated with the proposal. See also 2.17 et seq above.

Risk	Mitigation
<p>Leakage of sensitive/personal data, for example in use as training material for Large Language Models, or as a result of cyber attack.</p>	<p>Mandatory requirement for product to separate and protect Council data, with documented mechanisms assessed as part of the procurement process</p> <p>Product to meet Council cyber security standards, including relevant National Cyber Security Centre guidance</p> <p>Product to meet Council information governance standards, including UK hosting of data</p>
<p>Inaccuracies, distortions or hallucinations in output produced by the tool giving rise to inappropriate decisions/actions/omissions</p>	<p>All applications of the tool(s) will be required to have processes that provide assurance that output is being checked by an appropriate member of staff (eg the case officer) to ensure that correctly reflects the situation. This has been the case for the trials conducted so far.</p> <p>The processes to be employed will be subject to approval by the Council's Information Governance Board, in line with the organisation's Artificial Intelligence Policy.</p> <p>The approaches and mechanisms (eg model training, prompt engineering) that are being used by suppliers to manage this risk will be assessed as part of the procurement process.</p>
<p>Overreliance on electronic tooling endangering resilience in the event of a prolonged cyber attack</p>	<p>As part of their business resilience planning, services are required to plan how they would continue to operate in the event of a 4-week outage of all IT systems. This requirement is closely related to, and will be considered as part of, the processes for use of the tool to be agreed by Services with the Information Governance Board.</p>

<p>Failure to meet appropriate ethical standards for use of Generative AI</p>	<p>The Council has defined clear principles for the acceptable and ethical use of generative AI through a formal, council wide policy. This policy sets out ten high level principles covering governance, supplier assurance, copyright, accuracy, confidentiality, bias and discrimination, transparency, risk management, system integration, and human oversight.</p> <p>Ethical use is reinforced by mandatory requirements for human review of AI generated outputs, validation of accuracy, avoidance of bias and discrimination, and transparency where AI has been used to generate content. AI is positioned as a decision support tool, with accountability and professional judgement always remaining with staff.</p> <p>Compliance is monitored through manager authorisation, oversight by Information Governance and Technical Design Authority boards, and clear reporting routes for any policy breaches. Failure to comply with the policy may result in formal action under the Council's disciplinary procedures.</p> <p>The policy is actively embedded into day-to-day operations through staff communications, intranet publication, and structured awareness sessions, ensuring consistent understanding and application across the organisation</p>
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3.4 *Environmental implications*

3.4.1 The products to be procured are underpinned by Large Language Models whose training and use is energy-intensive. Sustainability measures such as the use of renewable energy and carbon offsetting will be assessed as part of the procurement process.

3.5 *Equality implications*

3.5.1 The use of the proposed products offers potential benefits to minority groups. Notable examples are:

- Bi-directional translation capabilities improving the delivery of services to those who do not speak English as their first language
- Faster processing of EHCPs speeding access to appropriate support for those with learning disabilities.

- 3.5.2 As noted at 3.3 above, there is a risk that there could be distortions in information summarised by the tool. Because the technology is based on the use of Large Language Models that have been trained using very large volumes of publicly available information that may reflect biases, there is a risk that any such distortions could have particular effect on disadvantaged groups. It should be noted that this is a theoretical risk, and that no actual instances of it were identified in the course of our trial exercises. The principal countermeasure to this risk is the human-in-the-loop policy. However, we shall also be evaluating suppliers' proposed approaches to mitigating this well-known risk in their products and services.
- 3.5.3 Should workforce restructuring form part of the plan for realising benefits from these products (3.8.2 refers), there will be a need to consider the equalities impacts of those plans. In line with guidance from the Equalities and Human Rights Commission, any such assessment should, if relevant, take into account both the cumulative impact of any wider restructuring plans arising from transformation and any wider patterns of change in the local labour market arising from technology adoption.

3.7 *Procurement implications*

- 3.7.1 The proposed procurement of Generative AI product(s) will be undertaken through a competitive process using an appropriate government framework, with the current preferred route being G-Cloud 14 (though choice of framework remains to be finalised). This framework provides a compliant and efficient route to market for cloud-based AI solutions and enables access to a broad range of suppliers within a rapidly evolving marketplace. Consideration has been given to alternative routes, including Dynamic Purchasing Systems and open procurement procedures; however, these have been discounted on the basis of longer timescales, increased complexity, and reduced ability to respond at pace to transformation priorities.
- 3.7.2 A further competition will be conducted under the framework to ensure a robust comparison of available solutions. This will include structured product demonstrations and scenario-based evaluation to assess real-world applicability across Council services. The evaluation will identify the most economically advantageous tender, taking into account a combination of price and quality factors, including product capability, ease of implementation, scalability, supplier support, and alignment with the Council's information governance and security requirements.
- 3.7.3 In line with the rapidly developing nature of Generative AI technologies, the procurement strategy will prioritise flexibility and value for money. Contracts will be limited to a maximum duration of two years, with provisions to allow the Council to adapt to market developments and transition to successor frameworks where appropriate. The approach ensures that the Council can realise early benefits while maintaining competitive tension and avoiding long-term dependency on any single supplier.

3.8 *Workforce implications*

- Workforce skills and practice – to be addressed in the implementation projects, with the capacity of suppliers to support being assessed as part of the procurement.
- Potential impact to our workforce planning – approach to benefits realisation to be confirmed during first year of operation. Plan for doing this to be part of business cases that will need to be signed off before tool capacity is acquired, noting that tool usage beyond year 1 must be funded by savings of some form in services using tools.]

- 3.8.1 The trial exercises have emphasised the importance of the supplier working with staff to transfer and embed the skills and practices required to make effective use of the tool. The quality of the supplier's offer in this area will be evaluated as part of the procurement.
- 3.8.2 As discussed at 3.1, it will be critical for services using the tools to define plans for the realisation of benefits from the use of the tool so that it can be funded from savings. There is a possibility that these may involve workforce restructuring.

Background Papers:

None