



White paper

Artificial intelligence (AI): what senior leaders in local government should know

October 2023



Table of contents

Summary	03
AI development	03
Get the best value from AI	05
Impactful AI applications	06
Ensuring safe and resilient adoption of AI	07
Risks and benefits of AI	08
Further reading	09

Summary

During a virtual roundtable, hosted by Socitm, Socitm Advisory and Faerfield, AI experts and senior local government leaders joined forces to consider what this rapidly changing environment means for the sector.

In this paper you'll find a summary of the key themes discussed; from awareness of AI within leaders, the ethics of AI, the biases and the unconscious bias, through to the data breaches that AI might cause. Skills and tools and how AI can be used to change local government, along with how AI-ready tools already embedded in local government may be used for greater benefit in the future. This paper covers it all.



AI development

Does AI development change our planned technology road map? For instance, do we still need complex CRM systems and what does AI replace?

AI development offers a range of opportunities for local government, from enhancing citizen interactions to improving workforce productivity. However, it requires ethical consideration and leadership awareness to harness its potential effectively and address the challenges it presents. AI should be viewed as an addition to existing technology roadmaps, rather than a complete overhaul.



Some important themes to consider

Diverse AI applications

AI is rapidly permeating various systems and solutions. There are immediate applications like Bing enterprise, which allows for generative text answers to complex questions. Additionally, AI is being integrated into SaaS-based offerings, such as Microsoft's Copilot, which enhances Office suite capabilities with generative text and AI-driven features.

AI and CRM

AI complements CRM systems by adding value rather than replacing them. It enhances citizen interactions, automates routine tasks, and assists in knowledge management. For instance, AI can transcribe and summarise conversations, deflect calls through virtual agents, and triage requests, ultimately reducing unnecessary contact points.

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AI development continued...

Augmentation and knowledge acceleration

AI augments human capabilities, accelerating knowledge transfer and making it accessible to temporary or re-skilled staff. Tools like Copilot provide collective wisdom and enhance productivity by providing real-time guidance within CRM systems.

Counter-fraud measures

AI can play a crucial role in counter-fraud efforts by analysing voice data and flagging potential fraud indicators in real-time. This helps organisations combat fraud more effectively, ensuring resources are allocated appropriately.

Reskilling and workforce productivity

AI enables councils to retain their staff while enhancing their productivity. Employees can adapt to new roles with the support of AI, making them more effective and confident in their work.

Ethical considerations

AI adoption should be accompanied by ethical considerations. Leaders need to be aware of the ethical implications of AI in decision-making, especially in sensitive areas like adult social care and child protection.

Leadership awareness

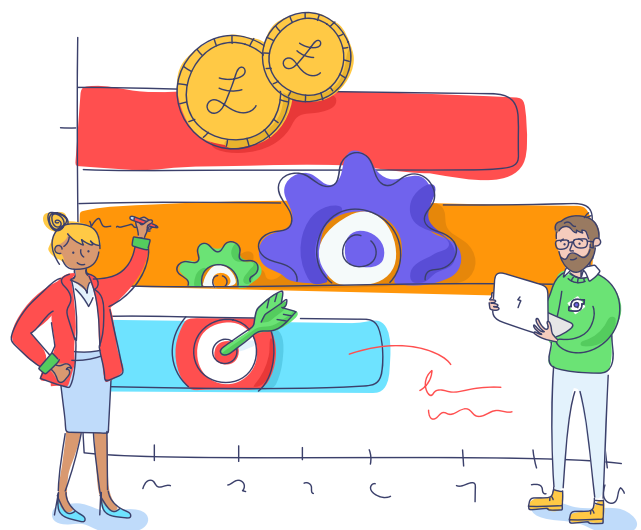
Senior leaders must pay attention and take an interest in AI technology. While not everyone needs to be a technical expert, a basic understanding of AI's capabilities, limitations, and potential impact on society is essential. Awareness and knowledge-sharing within leadership teams are crucial.

Future challenges and changes

AI will likely bring significant changes to the fabric of society in the next 5 to 10 years. Leaders in local government should anticipate and address these changes, especially in areas related to vulnerable adults, child protection, and education.

Collaborative decision making

Discussions about the role of AI in decision-making, whether as assistance or autonomous decision-makers, should be part of the agenda. Ethical considerations surrounding AI decision-making should be addressed openly.



Get the best value from AI

What are the foundations we need to put in place to support getting the best value from AI?

Senior leaders should approach AI with a balanced perspective, focusing on the framework, governance, risk management, assurance, ethics, transparency, and member engagement to ensure the best value from AI initiatives in local government.



Key considerations include:

Leadership awareness and perspective

Recognise that senior leadership roles involve dealing with challenges, including those related to AI. Focus on understanding the potential rather than fearing complexity. AI is not entirely new and has historical roots; embrace it with confidence.

Framework for AI adoption

Establish a framework for AI adoption. It's about asking the right questions, not having all the answers. Ensure that key leaders, including the CIO, SIRO, and service managers, are aware of their responsibilities.

Risk management and governance

Understand AI-specific risks and risk appetites. Utilise established risk management frameworks, like MITRE's, and adhere to governance structures to ensure responsible AI deployment.

Assurance and supplier accountability

Ensure levels of assurance for AI systems. Hold suppliers accountable for embedding AI and ethical considerations in their offerings. Procurement teams should scrutinise AI-related aspects during supplier interactions.

Privacy and data protection

Prioritise privacy issues related to AI. Safeguard sensitive information and ensure that data remains within the local authority's custody. Be cautious about data sets leaving the organisation.

Ethical framework

Develop an ethical framework for AI usage within the organisation. Focus on principles like doing good, avoiding harm, respecting human conditions, and accountability. Align with international AI ethical guidelines.

Transparency and accountability

Establish transparency in AI decision-making. Enable individuals to challenge decisions made with AI technology. Maintain clear accountability for AI-driven outcomes.

Member engagement

Engage local government members in AI discussions. Keep them informed about the benefits, risks, and ethics associated with AI. Leverage their close ties to communities to build trust and gather feedback.



Impactful AI applications

Where do you foresee the most impactful applications of AI in local government?

Senior leaders should explore AI's potential to enhance productivity, improve data-driven decision-making, care for vulnerable populations, and optimise operations while actively sharing knowledge and responsibly managing risks.

Key themes to consider include:

Internal staff productivity

AI, such as tools like Microsoft Copilot, can significantly enhance the productivity of knowledge workers and streamline tasks across various roles. Leaders should identify opportunities for automation and efficiency gains.

Data analytics and process improvement

AI can help local governments analyse vast amounts of data, improving decision-making and optimising processes. It can be especially valuable in tasks that involve data analysis, assisting in making informed decisions, and automating repetitive processes.

Tech-enabled care for vulnerable populations

AI can have a profound impact on caring for vulnerable individuals. Implementing technology-enabled care platforms with sensors can detect emergent situations and trigger appropriate responses, enhancing the safety and well-being of vulnerable residents.

Data integration and triangulation

AI can facilitate the integration and analysis of data from various sources, enabling a holistic view of residents' needs and challenges. This can lead to more effective and timely interventions in cases involving vulnerable children and adults.

Cost management and efficiency

AI-driven systems can help manage costs by optimising building environments, such as temperature control, and automating routine tasks, reducing operational expenses.

Sharing best practices

Collaborate with suppliers and other local governments to share successes, lessons learned, and best practices in AI adoption. Sharing knowledge and experiences can accelerate the positive impact of AI across the sector.

Balancing risk and benefits

While embracing AI for its potential benefits, local government leaders should also consider and manage associated risks. Striking a balance between innovation and risk management is essential.



Ensuring safe and resilient adoption of AI

What do we need to do to ensure that our people, communities and places can gain the benefits, but stay safe and resilient with the onset of AI?

By addressing the following key themes, senior leaders can guide their organisations in harnessing the benefits of AI while ensuring the safety, resilience, and ethical use of this transformative technology.



Key things you can do include:

Six-sided approach

Address AI adoption comprehensively by considering all six sides of the Rubik's Cube: senior leaders, staff, citizens, local businesses, suppliers, and stakeholders.

Awareness raising

Begin with raising awareness among all stakeholders about AI, its potential, and its implications.

Incident response planning

Develop clear incident response plans, including scripts for helpdesk support, to effectively manage AI-related incidents and issues.

Training

Provide training to staff and practitioners on AI, its applications, and best practices to ensure safe and responsible use. Offer in-depth, hands-on training for staff to ensure they have a practical understanding of AI, rather than relying solely on documentation.

Engagement

Engage with external stakeholders, including the public, local businesses, and partners, to gather feedback, build use cases, and ensure AI adoption aligns with their needs.

Change agents

Utilise change agents within the organisation to facilitate the understanding and adoption of AI, encouraging staff to explore its potential.

Privacy and data protection

Implement data processing impact assessments and privacy policies, especially when dealing with personal data in AI applications.

Engagement groups

Establish engagement groups, particularly for resident-facing solutions, to involve the community in shaping AI initiatives and gaining their input.

Guidance over policy

Consider providing guidance rather than strict policies to help individuals understand the principles of responsible AI use, encouraging ethical decision-making.

Focus on knowledge and engagement

Emphasise knowledge sharing and engagement as critical components of AI adoption, both internally and externally.

Ethical considerations

Encourage stakeholders to think about what they should and shouldn't do with AI, promoting ethical and responsible use.

Risks and benefits of AI

What risks and benefits do you anticipate with AI?

Senior leaders should prioritise privacy, ethics, governance, and understanding AI processes while recognising the potential benefits of AI in enhancing productivity, data analysis, care for vulnerable populations, cost management, and community impact. Positioning AI initiatives with a positive, outcome-oriented narrative is crucial for gaining support and mitigating concerns among staff and residents.



Key risks to consider include:

Privacy and data ownership

Ensure robust privacy foundations and maintain data ownership to prevent data creep and ownership issues when engaging with AI vendors.

Ethical considerations

Carefully consider ethical implications and the question of “just because you could, should you?” Ensure use cases are well thought out and managed.

Governance

Establish strong governance structures to control, approve, and manage AI use cases, preventing sprawl and maintaining trust in AI deployments.

Transparency

Emphasise the importance of understanding AI systems’ decision-making processes and addressing bias through plain and simple explanation.

Prompt engineering

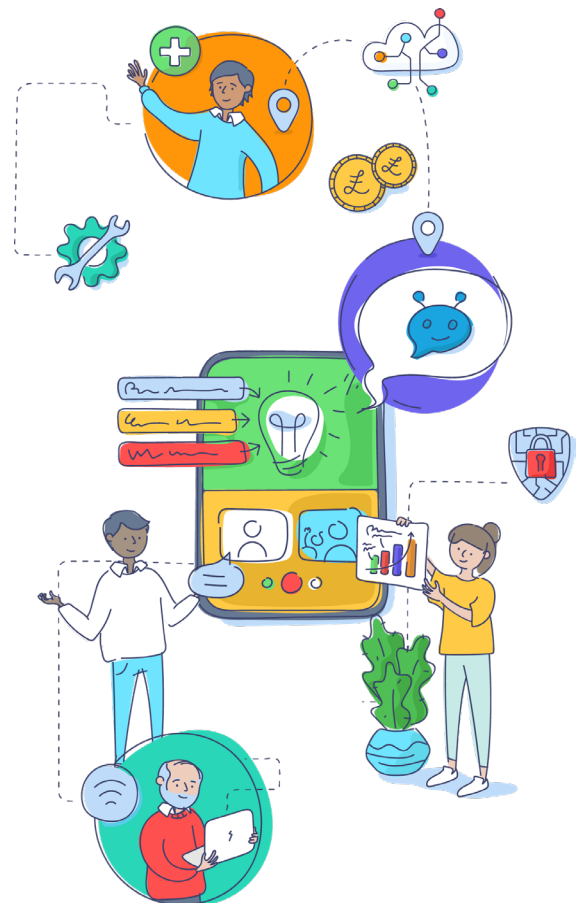
Promote knowledge of prompt engineering to enable effective interactions with AI systems and obtain relevant and meaningful outputs.

AI updates

Be aware of AI updates and their potential impact, especially in internal settings. Assess the need for updates and their compatibility with existing AI models.

Software bill of materials (SBOM)

While a technical detail, it’s essential to understand the components of AI software to assess risks and benefits accurately.





Key benefits to consider include:

Productivity

AI can significantly enhance internal staff productivity by automating tasks and providing summaries, leading to time savings and increased efficiency.

Data analysis and decision making

AI aids in data analysis, improving decision-making processes by providing insights and recommendations.

Tech-enabled care

AI-powered sensors and technology can enhance care for vulnerable populations, detecting emergencies and ensuring timely interventions.

Cost management

AI-driven systems, such as temperature control, can help manage costs and optimise building environments, providing cost-effective solutions.

Positive community impact

Emphasising the community impact of AI initiatives can help garner support and alleviate concerns among staff and residents.

Outcome-oriented approach

Focusing on the positive outcomes and aligning AI initiatives with the fundamental purpose of local authorities can create a more favourable narrative.

Further reading

We have a range of resources concerning AI and it's use within the local government and beyond. Below are a few latest documents you might be interested in.

[Consultation on a pro-innovation approach to AI regulation](#)

Contributors: Martin Ferguson, Jenny McEaney, and Alison Mckenzie-Folan

This document focuses on risks and opportunities for local government and provides reflections on principles that should be applied to a future regulatory regime.

[Chatbot-GPT – What does it mean?](#)

Contributor: Mark Brett

Chat-GPT is an example of an Artificial Intelligence “AI” programme. These “Large Language Models” (LLMs) are continuing to develop at an ever-accelerating rate. There are several key issues to consider. The UK Government AI Strategy is a good starting point to understand the context and background. It's also very useful to understand where AI fits into the wider Data Science and Information Management disciplines.

[Sample corporate policy for use of Generative Artificial Intelligence](#)

Contributors: ALGIM, Martin Ferguson, Jackie Lyons, CPA, NACD.DC, QFE, Mike Manson, Jonathan Moffat

The purpose of this policy document is to provide a framework for the use of Generative Artificial Intelligence Large Language Models (GenAI) such as ChatGPT, Bard, Bing or other similar tools by council employees, contractors, developers, vendors, temporary staff, consultants or other third parties, hereinafter referred to as ‘users’.



Further support

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For more information about the co-hosts of this virtual round table, please visit:

www.socitmadvisory.co.uk

www.socitm.net

www.faarfield.co.uk

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