PERFORMANCE AND CORPORATE SERVICES OVERVIEW AND SCRUTINY COMMITTEE

18 September 2026

AI Benefits

Report by Kit Collingwood - Director of Technology and Customer Experience

1. RECOMMENDATION

The Performance and Corporate Services Overview and Scrutiny Committee is RECOMMENDED to

- Consider the report and **AGREE** any recommendations it wishes to make to Cabinet therefrom.

Executive Summary

2. Oxfordshire County Council began its planned work on artificial intelligence in 2024. It started with a pilot of 500 Microsoft 365 Copilot users from different parts of the council. The pilot tested whether Copilot could help staff save time, improve work quality, work safely and support better services.

3. After the pilot, the council bought 4,500 Copilot licences for a wider rollout from 1 April 2025. The council also put stronger security controls in place, provided training, created a champions network, and set up a Teams community to help staff learn from each other. Around four out of five licensed users have used Copilot within the monthly usage measure.

4. The council also uses specialist AI tools. Beam, previously called Magic Notes, helps social care staff by creating draft notes from conversations. Zoom AI helps residents reach information and services through digital and phone contact. AI is also included in other systems used by the council, such as Sasha, Oak and Monday.com.

5. The council has made strong progress in giving staff access to AI and helping them use it. The next stage is to focus on clear service benefits, better measurement, safe use, and making sure AI is used where it adds real value be that financial, process or people.

The journey so far

6. Oxfordshire County Council started its AI work in a planned way. The first step was a pilot with 500 Microsoft 365 Copilot users. The pilot helped the

council test how AI could support staff, protect information, and improve services before making it available more widely.

Why did the council invest in AI?

7. The business case was about making services better and helping staff work more efficiently, to deliver tangible savings. The council wanted to test whether AI could give staff more time, improve the quality of work, reduce repeated manual tasks, and provide a safe alternative to public AI tools. Potential benefits included:

- better reports, recommendations and everyday messages;
- less time spent on repeated manual tasks;
- fewer errors in routine work;
- better support for staff, including learning and working together;
- better services for residents;
- safer and more controlled use of AI; and
- a stronger position as a responsible user of AI in local government.

8. The council expected AI to release staff time, improve work quality, support better services, and reduce the risk of staff using unsafe public AI tools. Some benefits will save time or improve the experience of staff and residents. Some may reduce costs, but this must be proven before it is treated as a cash saving.

9. The introduction of Copilot was also to help support the Service Redesign programme and to give managers the tools to automate manual tasks and design services in different ways.

How has AI been adopted?

Volume of use

10. The council bought 4,500 Copilot licences. Usage has stayed at about four out of five licensed users. This shows wide use across the council. However, the current measure only shows whether someone has used Copilot in a 30-day period. It does not show how often they use it, how well they use it, or how much value it creates.

How AI is being used

11. Individual productivity: Staff use AI to help with meeting notes, email volumes, drafting documents, improving reports, preparing presentations and organising work.

12. Team and process support: The council is exploring AI agents and automation to help teams with repeated tasks and shared processes.

13. Social care practice: Beam creates first draft notes from conversations. Social care staff then review and correct the record before it is used.

14. Resident contact: Zoom AI helps residents find information and services more quickly through digital and phone contact. It is intended to keep human support available where it is most needed.

15. Knowledge and self-service: AI features in council systems can help staff find useful information and support simple self-service tasks.

How is usage monitored?

16. The council monitors Copilot use through Microsoft reporting and a Power BI dashboard. The information is reviewed on a regular basis by the programme board and delivery team.

17. For Zoom AI the measure is based on how many calls are resolved using the AI agent and how many calls are then passed to a human agent. The customer contact centre measures these KPIs. As new functionality is added the impact is measured.

18. For Beam Magic Notes the services measure the value it brings.

19. As the Copilot moves from project to BAU the usage stats will be reviewed by the IT department. Lack of use will be investigated by the Digital Academy and appropriate action taken, from training to removal.

What the monitoring shows

20. The monitoring shows that Copilot has reached many staff. It does not yet prove that AI is used deeply in every role or that it has delivered all expected financial benefits.

21. Zoom AI measures show that fewer calls are being passed to human agents. Since an AI voice agent was introduced in March of this year inbound calls passed to a human have dropped by 50% on average. The web chatbot agent used on the congestion pages so far has had 10.8k people use it, with 96% of them not asking to be transferred to a human agent.

22. For Beam Magic Notes the monitoring shows high usage across various forms, meaning social workers are using the tool for a range of purposes. Reviews of reports also shows that the quality of reporting has got better, and that it has greatly helped social workers who are neurodiverse or dyslexic.

23. The council will continue to measure use. We also plan to begin to measure outcomes, service improvements and savings where possible.

Progress against the business case

24. The council has made good progress against the first part of the business case by giving many staff access to AI and supporting them to use it safely. The next step is to show more clearly where AI is improving services, saving time, or reducing cost.

Further adoption and deployment

25. The council will continue to develop AI in a careful and targeted way, assessing new tools and additions to existing systems and ensuring they are safe, ethical and sustainable.

26. For Copilot the next phase will focus on the roles, teams and services where AI and automation can make the biggest difference. A product team in IT will take on the responsibility for delivering the value across the council.

27. The next phase will focus on:
    - supporting groups of staff who have similar needs;
    - improving processes before adding AI to them;
    - using AI agents and automation for repeated tasks that have a high impact;
    - checking whether licences are being used by the right people;
    - measuring service improvements, time saved and financial impact;

How the council is and will continue to support effective use

28. As part of the IT Service redesign, we have created a Digital Academy and a Low Code Product Team. The combination of these teams will help support and deliver the following:

29. **Training:** The council has already provided learning sessions for staff on Co Pilot, and further learning pathways will be developed by the Digital Academy.

30. **Champions and community:** Around 150 ambassadors for Co Pilot received extra support as part of Co Pilot rollout. The Copilot Hangar Teams community, newsletters and intranet pages helped staff share examples and learn from each other. As part of future phases of work, the Digital Academy will review our current champion model.

31. **Delivery capability:** The Low-Code product team will receive training to help design and build AI agents. These agents can support repeatable tasks and help teams work more efficiently.

32. **Secure information foundations:** The council is moving information from shared drives to SharePoint. This supports better control of access, security classification, retention and information sharing.

33. **Targeted adoption:** Future work will focus on the roles, repeated tasks and services where AI can show clear value.

34. **Safe use:** The council uses policy, guidance and controls to support safe AI use. Staff must continue to check AI outputs and remain responsible for decisions. Procurement rules have also been added around AI to check for ethical AI and to remove undesired bias.

Risks and controls

35. AI brings risks as well as benefits. These include wrong or incomplete answers, poor use of personal information, unfair results, over-reliance on AI, unclear accountability, cost growth and environmental impact. The council reduces these risks through security controls, staff training, clear guidance, human review, monitoring and careful choice of where AI is used.

Monitoring for the next phase

36. We hope that future monitoring will be able to show whether AI is being used well, whether staff have the right skills, whether services are improving, and whether savings are real. For Copilot this will be done by the Low-Code Product team. For service base AI such as Zoom and Beam Magic Notes the service will monitor the usage.

Reflections on Adoption so Far

37. As part of the pilot, we did see some significant time savings in certain roles and types of work. Note taking, meeting minutes, research and large data analytics. However, ROI will only come when the workforce is reduced in size. The individual benefit has been far greater than the financial benefit.

38. More time should have been spent on training Senior Managers on the art of the possible and how to think differently about service design, so that we could capitalise on good ideas and areas to save money

Conclusion

39. The council has moved from a small pilot to wide use of AI across the organisation. It uses Copilot for general office work, Beam Magic Notes in social care, Zoom AI in customer contact, and AI features in other systems. This gives the council a strong base for future improvement.

40. Giving access to such a powerful assistant to every officer for less than £250 per year could be considered value for money, but translating that saving is proving more difficult to prove and realise.

41. The work we continue to do increase the use of AI in a safe and responsible way needs to be the future of how we work across the council. The next level is to re-imagine how the council works in the long term.

Financial Implications

42. The report identifies that AI has the potential to release staff time, improve productivity and support service improvement. However, cashable savings have not yet been fully evidenced, and future action will be required to support a clear delivery plan.

43. To deliver full financial return, future monitoring should be enhanced to develop a comprehensive understand of assess licence use, to ensure value for money, capacity released, service outcomes and any financial benefits that can be delivered.

Legal Implications

44. The report identifies the need for AI to be used safely and responsibly, with appropriate information governance, data protection controls, security controls and human oversight. Existing AI policy, guidance and restrictions on the use of third-party AI tools provide controls to support responsible use.

45. Any further deployment of AI should continue to be assessed against relevant legal, data protection and information governance requirements

Name: Kit Collingwood, Director of Technology and Customer Experience

Annex: Nil.

Background papers: Nil.

Other Documents: None

Contact Officer: Alastair Read, Head of IT Services

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