

Notice of Non-key Executive Decision

Subject Heading:	Contract Award for AI powered social care software.
Decision Maker:	Barbara Nicholls, Strategic Director People
Cabinet Member:	Councillor Gillian Ford, Cabinet Member for Health and Adult Care Services
SLT Lead:	Barbara Nicholls, Strategic Director People
Report Author and contact details:	Julia Blow, Assistant Director of Corporate Programmes & Delivery Assurance
Policy context:	This pilot supports Havering Council to meet its People Theme priorities in its Corporate Plan 2022/23 – 2026/27. This plan sets out how the Council intends to invest and transform the borough with an emphasis on improving the lives of vulnerable children, adults and families. In summary, this pilot will support the Council fulfil its aim of ensuring that people are helped to live independent, socially connected and healthier lives.
Financial summary:	The cost of a 2 year contract will be £99,000. This cost will be funded through grant money detailed in the financial implication section of this report.
Relevant Overview & Scrutiny Sub Committee:	People

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Is this decision exempt from being called-in?	The decision will be exempt from call in as it is a Non key Decision
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The subject matter of this report deals with the following Council Objectives

People - Things that matter for residents X

Place - A great place to live, work and enjoy

Resources - A well run Council that delivers for People and Place.

Part A – Report seeking decision

DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION

For the reasons detailed in this report the Strategic Director of People is recommended to approve the award of contract to Beam Up Ltd for their product Magic Notes (an AI-Powered Social Care Software) at a total cost of £99k over two years for use in People Services – Ageing Well, Living Well and Starting Well.

AUTHORITY UNDER WHICH DECISION IS MADE

Part 3 of the Council's Constitution

3.3.3 Scheme – Powers common to all Strategic Directors

1. General

- 1.1. To take any steps necessary for proper management and administration of allocated portfolios.

4. Contracts

4. 2. To award all contracts with a total contract value of below £1,000,000 other than contracts covered by Contract Procedure Rule 16.3.

STATEMENT OF THE REASONS FOR THE DECISION

The recent Beam Magic Notes pilot has been a real success in significantly bringing down the time taken by Adult Social Care Social Workers and Occupational Therapists to type up notes following visits and complete Care Act Assessments and Occupational Therapy assessments. The pilot was carried out by 14 members of staff over a six-week period.

The software produces 3 outputs at the end of a recording:

- A full voice recording
- A full transcription
- A summary of the meeting with agreed actions allocated to individuals

Magic Notes has templates, such as a Care Act Assessment, and the meeting content can be converted from general meeting notes into a Care Act Assessment.

Magic notes has the capability to suggest actions, where perhaps it suspects a safeguarding issue, even if this has not been specifically said in the meeting and link to other legislation or research. Officers will be required to review and sign off any product created by Magic Notes.

It also has the ability to translate output to other languages saving on translation costs.

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The pilot in adults demonstrated the tool's ability to reduce admin time, improve the quality of reports, and enhance worker-client interactions.

The plan is to start small and scale up, monitoring productivity and ensuring that the product is achieving value for money. It is possible to scale up or carry forward any unused hours into the next financial year without penalty, so this presents low risk to the council.

In Adult Care Services (Ageing and Living Well) and in Children's Services (Starting Well) including Education, demand has increased steadily over a number of years with growth put in wherever possible. However, there are still very high caseloads and, in some areas, waiting lists

The increased complexity in case work that is being seen in children's, adults and housing means the administrative burden has increased further and we now have waiting lists for assessments in adults.

OTHER OPTIONS CONSIDERED AND REJECTED

Use of alternative AI

We have considered using Microsoft Copilot, but this software does not have voice recognition in the same way as Magic Notes and is not specifically built around legislative forms used within social care. Copilot currently cannot identify individual speakers in the same room by their voice and this is a huge advantage of using Magic Notes when in the client's home carrying out an assessment with the person and those involved in their care and support. Children's Services are looking to pilot a specific speaker that could identify voices to use in Strategy meetings that are conducted in the MASH.

We could 'do nothing'

If we do nothing the relevant People teams will continue to face a significant administrative burden with a large amount of their time spent on writing reports and assessment forms at the expense of increased direct contact with residents.

For Adult Care Services annual scheduled reviews will continue to become increasingly overdue and/or sit on waiting list as teams increasingly focus on unscheduled, safeguarding or crisis related work.

PRE-DECISION CONSULTATION

There was engagement with the following officers and organisations:

- Beam Up Ltd
- Council Strategic Director of People
- Council Live Well Director
- Council Procurement
- Council Executive Leadership Team

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- The users in the cohort for the pilot

NAME AND JOB TITLE OF STAFF MEMBER ADVISING THE DECISION-MAKER

Name: Julia Blow

Designation: Asst Director of Corporate Programme Management & Delivery
/Assurance

Signature: J.Blow

Date: 22/11/24

Part B - Assessment of implications and risks

LEGAL IMPLICATIONS AND RISKS

The Service seeks approval to award a contract from the “G-Cloud 14 Framework” (RM1557.14). Officers intend to appoint Beam Up Ltd for the supply of software.

Where it appears that a carer may have needs for support (whether currently or in the future), the Council has a statutory duty under the Care Act 2014 to assess —

- (a) whether the carer has need for support; and
- (b) if the carer does, what those needs are.

Officers seek approval to award this contract in compliance with this statutory duty.

The Council's Contract Procedure Rules confirm that all subsequent purchases under a framework shall either not require further competition (if a single supplier) or, if there are two or more suppliers for those goods or services on the framework, follow the express framework provisions for choosing a supplier.

There are a number of suppliers appointed to Lot 2 of this framework. Rather than ask the suppliers to submit mini tenders, the G-Cloud 14 Framework enables a buyer (the Council) to refine the broad range of services available and find a service which fits the Council's requirements. The project team have satisfied themselves that Beam Up Ltd represents the most economically advantageous tender for the Council overall.

FINANCIAL IMPLICATIONS AND RISKS

This decision paper is recommending to enter into a 2-year contract with Beam Up Ltd for their product magic notes which will provide AI Powered Social Care Software in People Service.

The total cost of the 2-year contract is estimated to be £99k. This amount is to be paid up front in full.

A small pilot was rolled out to 14 staff members over six weeks and the result of this was a reduction in admin time and an improvement in the quality of work.

The estimated cost of £99k purchases 50,000 of magic notes hours over the 2 years.

Modelling has been carried out, following the pilot and based on the rollout to key staff across the People Directorate and 50,000 hours has been calculated as being sufficient.

There is a small risk that if usage exceeds the 50,000 then additional hours can be purchased at an additional cost of £1.98 per hour. Usage will be monitored through the use of a dashboard to minimise the risk of incurring additional costs for extra hours. Any, underutilisation of hours in the first year will be carried over to use in the second year. The likelihood is that the usage in the first year will be less as rollout to staff will be done in stages.

The system requires staff to have access to a smartphone and the internet. ICT are currently requesting for all smartphones that have not been used for 3 months to be returned so these phones can be redistributed to staff. However, there is a high possibility that there may be some capital costs of purchasing new smart phones, however capital funding has been identified for these costs.

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There will also be additional costs for data plans and sim cards, these costs are met from IT, however dependent on data usage this could potentially incur additional costs,

The funding for the contract is being met from two grant. £49.5k is being funded from the Streamlining ASC Assessments grant monies and £49.5k is being funded from the Supporting Families Grant.

This funding is only one off and after the completion of the 2-year contract, alternative funding sources will need to be identified if magic notes is going to continue.

HUMAN RESOURCES IMPLICATIONS AND RISKS (AND ACCOMMODATION IMPLICATIONS WHERE RELEVANT)

The recommendations made in this report do not give rise to any identifiable HR risks or implications that would affect either the Council or its workforce.

No headcount reduction is expected. The project will increase efficiency and job satisfaction by reducing administrative burdens.

EQUALITIES AND SOCIAL INCLUSION IMPLICATIONS AND RISKS

The Public Sector Equality Duty (PSED) under section 149 of the Equality Act 2010 requires the Council, when exercising its functions, to have due regard to:

(i) The need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;

(ii) The need to advance equality of opportunity between persons who share protected characteristics and those who do not, and;

(iii) Foster good relations between those who have protected characteristics and those who do not.

Note: 'Protected characteristics' are age, sex, race, disability, sexual orientation, marriage and civil partnerships, religion or belief, pregnancy and maternity and gender reassignment.

The Council is committed to all of the above in the provision, procurement and commissioning of its services, and the employment of its workforce. In addition, the Council is also committed to improving the quality of life and wellbeing for all Havering residents in respect of socio-economics and health determinants.

The Council seeks to ensure equality, inclusion, and dignity for all in all situations. There are no concerning equalities and social inclusion implications and risks associated with this decision.

ENVIRONMENTAL AND CLIMATE CHANGE IMPLICATIONS AND RISKS

This software tool will support the council's carbon reduction ambitions by reducing the reliance on paper and utilising cloud based software, leading to a decrease in overall energy consumption.

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None	BACKGROUND PAPERS
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APPENDICES

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Part C – Record of decision

I have made this executive decision in accordance with authority delegated to me by the Leader of the Council and in compliance with the requirements of the Constitution.

Decision

Proposal agreed

Details of decision maker

Signed



Name: Barbara Nicholls

Cabinet Portfolio held:

CMT Member title:

Head of Service title Strategic Director of People

Other manager title:

Date: 18/12/24

Lodging this notice

The signed decision notice must be delivered to Committee Services, in the Town Hall.

For use by Committee Administration

This notice was lodged with me on _____

Signed _____

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