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Derby City Council working with ICS.AI

Leading the AI revolution in local government

Like many local authorities, Derby City Council faced severe financial pressures amid rising service demands. Having invested in digital improvements for a decade, it recognised AI as a means to enhance efficiency, optimise resources, and sustain services. Partnering with ICS.AI, Derby launched the UK's most extensive public sector AI transformation, aiming to create a replicable national model.

With over 60% of resident contact via telephone, Derby introduced Darcie (customer services) and Ali (housing) in April 2023, creating the UK's first **AI-powered 24/7 "digital front door"**. This reduced call volumes and improved delivery, with early results exceeding expectations and building confidence for wider adoption. A review involving 100 staff across 44 workshops identified 261 AI opportunities, with 54 prioritised across social care, debt, customer service, productivity, and children's services. Staff engagement was key, supported by a champions network and an independently chaired AI Ethics Board.
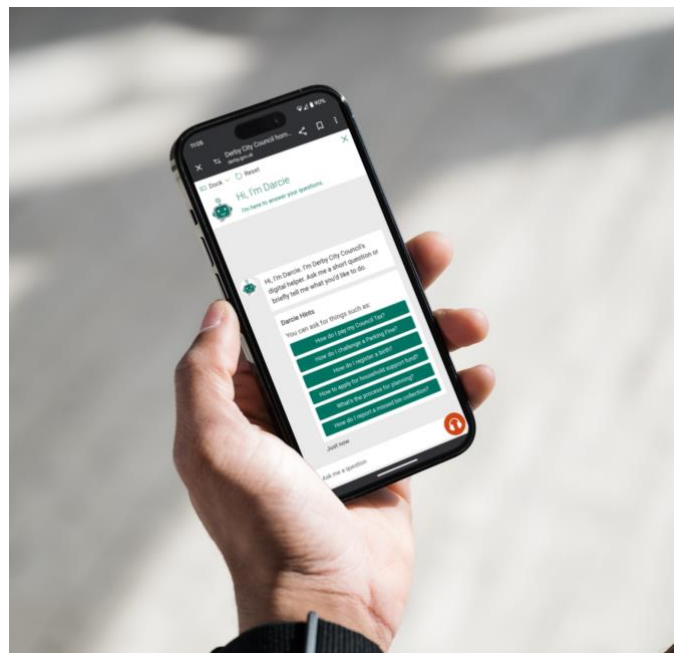
In May 2025, Darcie received a **Generative AI upgrade**, enabling natural, multilingual, and empathetic responses. The system can detect vulnerability, provide direct support to colleagues, and handle queries in English and nine more prevalent languages spoken in Derby. Since launch, it has achieved a 56% deflection rate, halved waiting times, and cut misdirected calls by 85%.

The transformation soon **expanded across services**. To boost productivity, staff gained "Perrie," a secure ChatGPT-style copilot for drafting reports, analysing data, and simplifying policies, saving around an hour per day. In adult social care, AI supports care package reviews and powers SMART: Notes, automating transcription and structured outputs so practitioners can focus on complex cases. Income and debt management has also been overhauled with AI dashboards offering daily unified debt visibility, enabling ethical, strategic collection while planning future enhancements such as VAT recovery.

Derby has already identified a **financial impact** of £7.5m in savings, including £2m so far this year in adult social care (with £6m projected by year end), £900k in debt management, and £1m via the AI front door. AI augments rather than replaces staff, freeing experts for sensitive cases. Looking ahead, Derby's **future vision** is to adopt agentic AI capable of end-to-end tasks, further advancing sustainability while retaining human oversight.
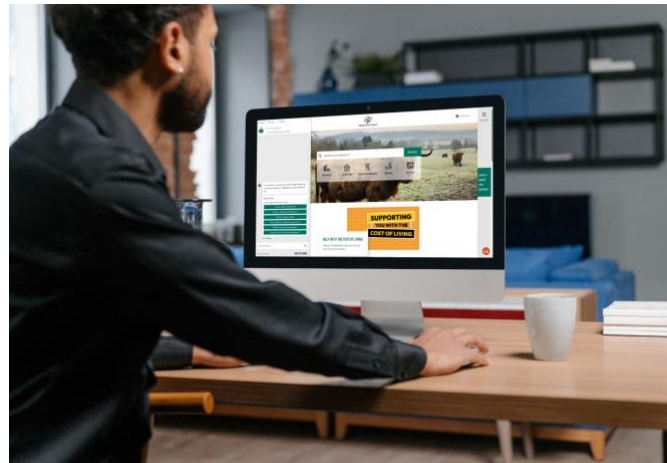
Want to learn more about Derby's AI transformation journey?
[Download the full recording](#) to access our recent showcase event with Derby City Council, where 20 speakers from across Derby City Council, ICS.AI and Socitm provide a deep dive into their pioneering journey and outcomes.

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For further information contact:
Fiona Watson
Chief Marketing Officer – ICS.AI
marketing@ics.ai | 01256 403800 | www.ics.ai

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