COUNCIL POLICY

POLICY NUMBER & TITLE:	**GOV028** **ARTIFICIAL INTELLIGENCE (AI) POLICY**
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RESPONSIBLE DEPARTMENT:	Corporate Services

ARTIFICIAL INTELLIGENCE (AI) POLICY

POLICY OBJECTIVE

This Policy provides guidance and a set of principles to govern the use of Artificial Intelligence (AI) by Wentworth Shire Council, including Councillors, staff and contractors.

1. POLICY STATEMENT

AI technology presents an opportunity for Wentworth Shire Council (Council) to enhance its service delivery to the Wentworth community. Whilst AI can create efficiencies which improve service outcomes, Council recognises that it must adopt an ethical AI framework to prevent outcomes that negatively affect individuals, communities, groups, or the environment.

To ensure that AI is used ethically and in accordance with human rights, Council will apply Australia's *AI Ethics Principles* (the Principles) to maintain public trust and confidence that Council's use of AI is safe, secure and reliable.

2. POLICY COVERAGE

This policy applies to all Councillors, Council staff and contractors engaged by Council. Adherence to this policy is mandatory across all Council operations involving AI.

3. STRATEGIC PLAN LINK

Objective: 4.0 Wentworth Shire is supported by strong and ethical civic leadership with all activities conducted in an open, transparent and inclusive manner

Strategy: 4.2 A strong, responsible, representative government

4. DEFINITIONS AND ABBREVIATIONS

Term/Word	Definition
Artificial Intelligence (AI)	AI is the ability of a computer system to perform tasks that would normally require human intelligence, such as learning, reasoning, and making decisions. AI encompasses various specialised domains that focus on different tasks. Examples include Machine Learning, which enables computers to learn from data; Natural Language Processing for understanding and generating human language; and Generative AI.
Artificial Intelligence Tools (AI Tools)	Software and applications that employ AI to generate or assist in generating content, solutions or decision-making processes.
Generative AI (Gen AI)	Gen AI is a wide-ranging term that refers to any form of AI capable of generating new content, including text, images, video, audio, or code.

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	Easily accessible examples of Gen AI include ChatGPT (OpenAI), BardAI (Google), MidJourney, and CoPilot (Microsoft). These tools (AI Tools) allow individuals to input text and receive AI-generated content. They offer functionalities such as summarising lengthy articles, providing concise answers to questions, or generating code snippets for described functions.

5. POLICY CONTENT

This policy outlines the principles and requirements for the safe and responsible use of AI.

5.1 AI should be Deployed Responsibly

Council should only use AI platforms in low-risk situations and take the appropriate risk mitigation strategies described in this policy. Some examples of low-risk use include using tools to brainstorm ideas or options, or to do initial drafting of content, emails and reports.

Council must ensure that all uses of AI platforms comply with Council's Use of Communication Devices Policy, Information Security Policy, and Privacy Management Policy.

Cases which pose an unacceptable risk to Council include but are not limited to:

- those requiring the input of any amount of Council data considered to be sensitive or confidential information;

- where services will be directly delivered by AI, or decisions made by AI; and

- where coding outputs will be used in government systems.

5.2 Accountability and Human Centred Decision Making

Council engages in a broad range of activities and delivers many services for the community. AI tools must never be the final decision-maker on Council activities or services. Accountability and transparency are Council values and as such, those who use AI to produce content are responsible for that content and must be able to explain and justify their advice and decisions.

Any responses or outcomes provided by AI tools must be critically analysed for appropriateness and accuracy before being used, as they can provide incorrect answers in a confident way.

In so doing, Council should consider whether responses or outcomes generated by AI are factually accurate, meet community expectations, or are coloured by known biases in the training data.

Council should also consider intellectual property rights of third parties as well as broader privacy and copyright issues when using these tools.

5.3 Transparency

It should be clear when generative AI tools are being used by Council to inform activities. Council will include a notation where applicable in briefings or official communications indicating if generative AI was used to generate any of the information.

Following critical analysis of that content as required above and where the decision is made to directly incorporate substantial AI generated content into a report, briefing or official communication, consideration should be given to creating a working document capturing that content and the date it was generated for record keeping purposes. That document should be created in accordance with

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Council's Records and Information Management Policy and to support transparency around decision-making.

Official communications remain subject to Council's Media Policy even when produced by AI tools.

5.4 Privacy Protection and Security

All data entered into AI tools is stored externally to Council beyond our ability to control access or privacy.

Inputs into AI tools should not include or reveal any classified information, or personal information held by Council. All activities and inputs in relation to the use of information with AI tools should be considered a disclosure of that information and must comply with Council's Privacy Policy, relevant legislation, and the Information Privacy Principles.

Council restricts the entry of information into public AI tools that:

- is not already public
- is personal information, entry of which contravenes Councils Privacy Policy.
- Is confidential information.

Users must also not enter information that would allow AI platforms to extrapolate classified or sensitive information based on the aggregation of content you have entered over time. Additionally, users should avoid sharing any information that could be used for identity theft, fraud, or hacking attempts.

Where available, Council should disable any settings or permissions which save data or use history.

Council's IT department retains the right to block access to known problem AI tools at any time and without notice.

5.5 Implementing new technology comprising or incorporating AI

When considering implementing new technology (either by acquisition or internal development) or approving freeware applications for use that comprises or incorporates AI, Council will conduct an AI impact assessment against the:

- AI Ethics Principles;
- Council's Privacy Management Policy; and
- Information Security Policy

as part of the Information and Communications Technology governance processes. The IT Team will consult with Council staff with relevant subject matter expertise as necessitated by the specifics of how the technology will be applied.

5.6 Creating an AI system

Should Council consider engineering an AI system, Council will maintain a standard which applies relevant *AI Ethics Principles* to the AI system throughout the AI Lifecycle.

Council will also publish a register of its AI systems that have the potential to impact a person, community, group, or environment. A person will be able to challenge the use of an AI system, or the

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or the outcome from the AI system, by submitting a complaint in accordance with Council's Complaint Management Policy.

6. ROLES AND RESPONSIBILITIES

The Director Corporate Services is responsible for ensuring this policy is implemented, progress is monitored and regular review of the policy and its implementation is undertaken in consultation with the Manager Technology Services.

The policy will be reviewed by the Governance Team in consultation with the IT Team no later than 1 year after its adoption to ensure that it appropriately addresses the evolving technology, its use and regulation.

All Councillors, staff and contractors engaged by Council are responsible for understanding and applying this policy.

7. RELATED DOCUMENTS AND LEGISLATION

Privacy & Personal Information Protection Act 1998 (NSW)
Health Records & Information Privacy Act 2002 (NSW)

GOV002 – Use of Communication Devices Policy
GOV007 – Privacy Policy
WF539 – Information Security Policy

AI Ethics Principles – Australian Department of Industry, Science and Resources

8. ATTACHMENTS

9. DOCUMENT APPROVAL

This Council Policy is the latest version of the official policy of the Wentworth Shire Council, as adopted by Council on 23/06/2025. All previous versions of this policy are null and void. This policy may be amended or revoked by Council at any time.

Signed: _____

General Manager Wentworth Shire Council

Date 25 June 2025.

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