Policy

ARTIFICIAL INTELLIGENCE POLICY

TEAM:	Business Support
RESPONSIBILITY:	Group Manager – Business Support
ADOPTED:	17 September 2025
REVIEW:	17 September 2026, or as required
CONSULTATION:	Not required
RELATED DOCUMENTS:	Privacy Act 2020, Public Records Act 2005, Customer Privacy Policy, Public Service Artificial Intelligence Framework, New Zealand Strategy For Artificial Intelligence, Information Communication and Technology Policy, Information Management Policy

1.   Purpose

This policy outlines the use of artificial intelligence ('AI') such as OpenAI ChatGPT, Microsoft CoPilot, or similar tools at Ashburton District Council (the 'Council'). The purpose of this policy is to adopt AI responsibly to support and improve services and outcomes for the Ashburton District.

2.   Definitions

'AI' means an AI system that is a machine-based system that, for explicit or implicit objectives, infers, from the input it receives, how to generate outputs such as predictions, content, recommendations, or decisions that can influence physical or virtual environments. Different AI systems vary in their levels of autonomy and adaptiveness after deployment.[1]

'Unrestricted Use AI Tool' means an AI technology that officers have evaluated, assessed and approved in accordance with clause 6.1, and has no restriction on its use.

'Limited Use AI Tool' means an AI tool that is not an Unrestricted Use AI Tool, but can be used within the parameters of this Policy, including within the confidentiality restrictions in clause 6.4.

3.   Background

AI tools and their impact are rapidly evolving. These tools use large amounts of information to transform and generate a variety of content, including human-like conversations, writing essays, creating images or videos, and computer code. While these tools have potential benefit to improve the efficiency, effectiveness and quality of Council services, there is risk in using them. Council is committed to ensuring that AI is utilised in a way that aligns with Council's legal, ethical, and community standards.

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[1] OECD AI Definition

Having regard to the benefits and risks, this policy outlines the principles and requirements for the safe and responsible use of AI within Council.

4.   Scope

This policy applies to all Council elected members, staff (whether permanent or temporary) and independent contractors who access Council systems and to all aspects of the Council's operations and all information created and received by Council.

This policy applies to all AI technologies, including but not limited to technologies, predictive analytics, automation tools, and decision support systems. It encompasses all AI products including ChatGPT, Microsoft CoPilot, and other products with built-in AI capabilities.

5.   Use of AI at Council

Within the parameters set in this policy, users can use Unrestricted Use AI Tools and Limited Use AI Tools for work-related purposes. This includes tasks such as generating text or content for reports, emails, presentations, images and communications.

Within Council's current Microsoft licensing arrangements, users have access to the free version of Microsoft CoPilot through the Edge internet browser on their work device. This version of Microsoft CoPilot is a Limited Use AI Tool for the purposes of this Policy.

In using AI, users must ensure they take into account the user guidelines (section 6) and risks and considerations (section 7) in this policy.

6.   User Guidelines

6.1   Security Risk Assessment for Unrestricted Use AI Tools

A comprehensive Security Risk Assessment is required before Council commits to the licensing for any AI solution or process. This assessment should consider potential risks regarding legality, output accuracy, bias and discrimination, security, privacy (including a Privacy Impact Assessment) and data sovereignty and protection.

The outcome of the Security Risk Assessment shall be presented to Council's Executive Team for approval. If approved by the Executive Team, the AI solution or process becomes an Unrestricted Use AI Tool.

Users will be notified of any Unrestricted Use AI Tool. **Council does not have any Unrestricted Use AI Tools as at the date of this Policy.**

6.2   User Details

Users must not register on any AI technology with their Council user account or email or any other work credentials, unless required to do so on an Unrestricted Use AI Tool.

Account registration is not required for those using CoPilot on their work device.

6.3   Verify Accuracy

All information generated by AI must be reviewed and edited for accuracy prior to use. If users have any doubt about the accuracy of information generated by AI, they should not use AI, or the information generated by it.

Users' responsibility to verify accuracy includes, to the extent possible, AI generated content provided by contractors engaged by Council to prepare reports, creative content or other information.

6.4   Confidentiality

Users can use AI tools for Council-related work as follows:

a. Unrestricted Use AI Tools: Where an AI tool has been approved by Council's Executive Team as an Unrestricted Use AI Tool under clause 6.1, users are authorised to share sensitive, confidential, personal or non-anonymised data into that particular Unrestricted Use AI Tool.

b. Limited Use AI Tools: Strictly no sensitive data, personal or confidential information or non-anonymised data may be entered into a Limited Use AI tool. Limited Use AI Tools are considered unsecure with any data submitted to them considered to be in the public domain.

Users must follow all applicable data privacy laws and organisational policies when using AI. If users have any doubt about the confidentiality of information, they should not use AI.

6.5   Respect Copyright

Users must adhere to copyright laws when using AI technologies. It is prohibited to use AI technologies to generate content that infringes upon the intellectual property rights of others. If users are unsure whether a particular use of an AI technology constitutes copyright infringement, they should contact their Manager or the Legal team for guidance.

6.6   Decision Making

The use of AI for decision making must be accountable, transparent, fair, and compliant.

Users who utilise AI for decision making must be able to:
a. explain and support the decision and what data the AI technology uses;
b. inform stakeholders that AI technology is involved and how it affects them;
c. ensure that the AI does not discriminate or harm anyone's dignity, rights, or interests, and follows the laws, regulations, policies, and standards for using AI in their domain.

6.7   Label AI Content

Where content (such as reports containing advice, analysis or opinions) is written or created solely or predominantly by AI, users shall clearly indicate when content has been co-authored with AI assistance to maintain transparency. The labelling used should be appropriate for the circumstances and may be provided in a footnote in a report or (where relevant) by notifying the Manager in writing.

7.   Risks and Considerations

The use of AI has inherent risks that users should be aware of. These risks are outlined below and shall be a consideration in the use of AI tools.

7.1   Legal

Users must follow all applicable data privacy laws and organisational policies when using AI technologies.

Information entered into AI may end up in the public domain and therefore users must comply with the confidentiality requirements in clause 6.4. Any release of personal information without the authorisation of the information's owner could result in a breach of the Privacy Act 2020.

Any unauthorised release of public information and records may result in a breach of the principles of the Information and Records Management Standard which is issued under section 27 of the Public Records Act 2005.

In addition, there is other legislation specific to Council operations that contain requirements for the management of certain information, including (but not limited to) the Local Government Act 2002, Local Authority Official Information and Meetings Act 1987, Contract and Commercial Law Act 2017, Resource Management Act 1991 and the Building Act 2004.

7.2   Accuracy

AI that relies upon algorithms to generate content is inherently at risk of creating inaccurate or unreliable information. Users must verify the accuracy of any AI generated information in accordance with clause 6.3.

7.3   Ethical Use

AI may produce bias, discriminatory, or offensive content. AI technologies must be used ethically and in compliance with all applicable legislation, regulations, and organisational policies.

Users must not use AI technologies to generate content that is discriminatory, offensive, or inappropriate, exposing Council to risk.

7.4   Reputation

Failures in AI implementation or outcomes that are unethical or non-compliant may damage the Council's reputation, reduce community trust, and cause dissatisfaction among stakeholders without sufficient monitoring and controls. Users should always adhere to this policy to limit exposure to reputational risk.

7.5   Security

AI may store sensitive data and information, which could be at risk of being breached or hacked, or generally available.

7.6   Data Sovereignty

While an AI platform may be hosted internationally, information created or collected in New Zealand is still under jurisdiction of New Zealand laws. If information is sourced from an AI platform hosted overseas for use in New Zealand, the laws of the source country regarding its use and access may apply. AI technology service providers should be assessed for data sovereignty practice.

8.   Compliance with Policy

8.1   Acknowledgement

By using an AI tool, users acknowledge that they have read and understood this policy, including the risks associated with the use of AI technologies.

Users also agree to comply with this policy, operate within the guidelines and to report any violations or concerns to their Manager, Group Manager or the Chief Executive.

8.2   Oversight

Managers are responsible for supporting the use of AI within the framework of this policy, including reasonable use of AI and monitoring their staff compliance with the policy.