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GLEN EIRA CITY COUNCIL ARTIFICIAL INTELLIGENCE (AI) POLICY

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ARTIFICIAL INTELLIGENCE (AI) POLICY

1. Objectives

The objectives of this AI Policy are to:

1.1 ensure AI is used safely, lawfully and ethically, adhering to legal requirements and the Australia AI Ethics Principles.

1.2 Ensure AI is used by Council to benefit the municipal community.

1.3 Set the standard for the governance practices of Council in relation to AI that are in line with the local government governance principles.

1.4 Enable Council to adopt and govern AI in a deliberate, proportionate and future-focused way that improves community outcomes, organisational capability and service delivery while maintaining appropriate accountability, transparency and governance.

2. Background

The increasing adoption of artificial intelligence is reshaping the economy, society and government. While the technology is moving fast, the lasting impacts of AI on the activities of government are likely to be transformational.

This Artificial Intelligence (AI) Policy outlines the principles, guidelines, and responsibilities for the ethical use of AI technologies within Glen Eira City Council. This Policy is guided by Australia's AI Ethics Principles, and local government governance principles to ensure that AI technologies are used in a manner that benefits the community while upholding legal and ethical obligations.

3. Scope

This policy applies to all Councillors, all Council employees, and all contractors engaged by Council.

4. Definitions

Term	Definition
Artificial Intelligence, AI or AI System	Has broad meaning and various definitions. For the purpose of this policy, the Organisation for Economic Co-operation and Development (OECD) definition is used: *An AI system 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*.
AI Users	Refers to Councillors, Council employees, volunteers and contractors engaged by Council who are using AI to deliver or assist in the delivery of Council services, or who are using AI in the course of their employment with Council.
Australia's AI Ethics Principles	Australia's 8 artificial intelligence (AI) ethics principles that have been developed by the Australian Government to ensure AI is safe, secure and reliable.
Confidential Information	means confidential information as defined in section 3(1) of the Local Government Act
Generative AI (Gen AI)	A type of AI is capable of creating new content such as text,

	images, audio, video, and code in response to user prompts. Examples include Chat GPT, Google Gemini and Microsoft Copilot.
AI Agent	An AI-enabled system that can perform tasks, make recommendations, retrieve information or undertake actions within defined parameters and authority.
AI Use Case	A specific application of one or more AI systems to achieve a defined business objective or outcome.
Health information	Has the meaning given in the Health Records Act 2001 (Vic) and includes personal information that is information or opinion about: (a) the physical, mental or psychological health (at any time) of an individual; or (b) a disability (at any time) of an individual; or (c) an individual's expressed wishes about the future provision of health services to him/ her; or (d) a health service provided, or to be provided, to an individual
Personal Information	Information or an opinion (including information or an opinion forming part of a database), that is recorded in any form and whether true or not, about an individual whose identity is apparent, or can reasonably be ascertained, from the information or opinion, but does not include health information.
Sensitive Information	Personal information that is information or an opinion about an individual's: (a) racial or ethnic origin; or (b) political opinions; or (c) membership of a political association; or(d) religious beliefs or affiliations; or (e) philosophical beliefs; or (f) membership of a professional or trade association; or (g) membership of a trade union; or (h) sexual preferences or practices; or (i) criminal record.
AI Incident	An event, action, omission or system failure involving AI that results in, or has the potential to result in, harm, privacy breaches, security risks, misinformation, discrimination, service disruption or other adverse impacts.
Privacy Impact Assessment	A documented process used to identify, assess, and manage the impact a project, system, technology, service or activity may have on the privacy of individuals, including identifying privacy risks and measures to mitigate those risks

5. Policy

5.1 Responsible Use of AI

5.1.1 Council supports the responsible use of AI, including AI agents and AI-enabled automation, where there is a legitimate business purpose, the use is lawful, ethical and secure, and risks can be appropriately managed. Governance requirements will be proportionate to the nature, purpose, impact, risk and level of autonomy of the AI Use Case.

5.1.2 The use of Copilot and Copilot Chat within Glen Eira's Office 365 environment is considered safe and is permissible to use. This has been risk assessed, and will continue to be monitored, by the Digital and Technology Services department. However when using these approved applications, it is still recommended practice to assess your use each time in line with Council's Privacy and Data Protection policies and data handling protocols to mitigate risks. Depending on your use case, a specific privacy impact assessment and risk assessment may be appropriate.

5.1.3 Human oversight and control must be applied in a manner proportionate to the nature, purpose, risk, impact and level of autonomy of the AI use. Council remains accountable for decisions, actions and outcomes materially informed or undertaken by AI. AI generated content intended for publication or material decision-making must be subject to appropriate human review and assurance before use.

5.1.4 Council information may be processed within approved enterprise AI environments where Council has lawful authority to access, use and manage that information, and where applicable privacy, security, information governance and records management requirements are met. Users must continue to comply with all Council policies, legislative obligations and information handling requirements when using AI technologies.

5.1.5 When using AI technologies, users must not:

- Disclose personal, health, sensitive or confidential information to public or unapproved AI tools
- Use AI in breach of privacy, information governance, cybersecurity, legislative or contractual obligations
- Introduce AI generated code in critical Council systems without appropriate review, testing and approval
- Use unapproved AI tools to process or store Council information.

5.1.6 Council users must only use AI technologies that have been approved through Council governance processes. Council information must not be entered into public or unapproved AI tools.

5.2 Guiding Principles

Council commits to following Australia's AI Ethics Principles. Council will adhere to them as follows:

5.2.1 Human, social and environmental wellbeing

Council will only use AI where it produces a benefit to individuals, the community, the economy or the environment.

5.2.2 Human-centered values

Council will use AI in ways that respect human rights and maintain appropriate human oversight of AI-informed decisions.

5.2.3 Fairness

Council will use AI in ways that are inclusive, accessible and minimise bias, unfair outcomes and unlawful discrimination.

5.2.4 Privacy protection and security

- Users must comply with Council's Privacy and Health Records Policy, Information Governance requirements and any applicable information handling requirements when using AI technologies, regardless of whether the AI solution is an approved enterprise platform or another approved AI service.

- Personal, health and sensitive information may only be processed using AI where Councils has lawful authority to do so, appropriate privacy and security controls are in place, and all legislative and policy requirements are met.

5.2.5 Reliability and safety

- All AI systems will be reviewed and audited to ensure that they remain compliant with this policy and ensure that they are still relevant and appropriate for Council's purposes.
- All AI Users will be required to undertake regular training in the responsible use of AI.

5.2.6 Transparency and disclosure

Council will appropriately disclose where AI has materially contributed to public-facing content, advice, recommendations, services or decisions.

5.2.7 Contestability

Individuals significantly impacted by AI-informed Council decisions or processes will have an appropriate opportunity to seek review.

5.2.8 Accountability

AI Users remain accountable for AI-assisted content, advice and decisions and must appropriately review AI outputs before they are relied upon.

5.2.9 Lifecycle Governance

Council will apply proportionate governance throughout the AI lifecycle and reassess material AI use cases where their purpose, functionality, risk or level of autonomy significantly changes.

6. Roles and Responsibilities

6.1 Councillors, Council staff and Volunteers

- Comply with this policy and any other relevant Council policies and procedures.
- Must not rely on AI generated content without checking its accuracy and suitability for purpose including ensuring that Council has the copyright in the content if it is being used in an external document or publication (including Council's website).
- Obtain approval and consent of Digital and Technology Services prior to implementing any AI systems.
- Ensure any contracts entered into (where relevant) include a clause that the contractor will comply with Council's AI Policy in delivering its services to Council.
- Must promptly report AI incidents, suspected AI incidents and near misses in accordance with Council's incident reporting procedures. Users must take reasonable steps to minimise potential harm, preserve relevant information and cooperate with any investigation or review.

6.2 AI Governance

- Ongoing review and update of Council's AI Governance Framework, policies and procedures
- Ensure compliance with AI policy and procedures, and any legislative requirements.
- Monitoring Council's overall AI risk profile and the effectiveness of controls for the responsible use of AI and use of AI technologies;
- Review, consideration and approval of third-party contractors using AI to deliver Council services.
- Review AI incidents and complaints.

7. Legislative Compliance

7.1 This Policy has been assessed as being compatible with the Charter of Human Rights and Responsibilities Act 2006 (Vic).

7.2 In line with the Gender Equality Act 2020 (Vic), a Gender Impact Assessment has been completed for this policy.

7.3 This policy supports Council's compliance with obligations under the Privacy and Data Protection Act 2014 (Vic).

8. Associated Council Documents

The following Council policies:

- Acceptable Use of Technology
- Corporate Data Ownership
- Information Governance
- Media
- Privacy
- Public Transparency
- Workplace Technology and Information Security
- Staff Code of Conduct

The following Council AI guidance resources:

- AI Governance Framework
- AI Risk Assessment Report
- AI Policy recommendations report (Delos Delta)

9. External References / Resources

Australia's AI Ethics Principles
Closer to the Machine - Technical, social, and legal aspects of AI (OVIC 2019)
Local Government Act 2020 (Vic)
Artificial Intelligence – Understanding Privacy Obligations (OVIC online publication)
Privacy and Data Protection Act 2014 (Vic)
Pilot AI assurance framework guidance (Digital.gov.au September 2026)

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