# Waitomo District Council
# Artificial Intelligence (AI) Policy

Waitomo
District Council

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## **INTRODUCTION** | KUPU ARATAKI

Artificial intelligence (AI) tools are increasingly being used across organisations to support everyday work activities such as drafting content, summarising information, and exploring ideas. When used appropriately, these tools can assist employees to work more effectively while maintaining professional standards and accountability.

Waitomo District Council (WDC) recognises the potential benefits of generative artificial intelligence, while also acknowledging the risks associated with its use, particularly in relation to information management, privacy, fairness, and public trust. WDC remains responsible for all work produced on its behalf, whether created directly by people or with the assistance of AI tools.

The Artificial Intelligence (AI) Use Policy (the Policy) establishes expectations to ensure AI use supports WDC's values, protects community interests, and complies with New Zealand legislation and existing Council policies.

## **PURPOSE AND SCOPE** | TE ARONGA ME TE KORAHI

1. This Policy defines how WDC employees may use artificial intelligence tools to support their work.
2. The intent of this Policy is to enable responsible use of approved AI tools, while protecting Council information, community trust, and decision-making integrity.
3. AI technology is developing rapidly. This Policy provides a baseline approach that will be reviewed regularly and updated as capability, security controls, and organisational understanding mature.
4. Employees must use AI only in line with this Policy when performing Council work.
5. This Policy applies to all WDC employees, contractors, temp workers, consultants working on behalf of WDC, and Elected Members. The term employees will be used to refer to all throughout.
6. It applies to the use of generative artificial intelligence tools for Council-related work, whether accessed directly through a browser or indirectly through AI-enabled software, platforms, or vendor systems.
7. This version of the Policy applies to generative AI tools that create or summarise text. Future versions of the Policy may expand to cover other forms of AI, including analytics, automation, and decision support systems.

## **DEFINITIONS |** NGĀ WHAKAMĀRAMATANGA

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| **AI-generated content** | Material produced using generative artificial intelligence tools, including text, images, or code. |
| **AI-assisted content** | Content created, reviewed, or refined by a person with the assistance of AI tools. AI-generated content becomes AI-assisted content once reviewed or used by Council employees. |
| **Artificial Intelligence (AI)** | Technology that enables machines or software to perform tasks that typically require human intelligence, such as reasoning, learning, or language processing. |
| **Approved AI tools** | AI tools that have been formally approved by WDC for use in Council work, as set out in this policy. |
| **Bias** | A systematic error in data, algorithms, or outputs that can produce unfair or unbalanced results, including in relation to gender, ethnicity, or culture. |

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| **Community-facing content** | Information, communications, or materials intended for release outside Council, including public reports, website content, correspondence, or published guidance. |
| **Confidential information** | Non-public information considered sensitive, including personal information, draft documents, and material subject to legal, commercial, or financial obligations. |
| **Council-related activities** | Work performed in connection with the functions, services, or responsibilities of WDC |
| **Data sovereignty** | The principle that data collected in New Zealand is subject to New Zealand law, regardless of where it is stored or processed |
| **Generative Artificial Intelligence (GenAI)** | A type of artificial intelligence that generates content such as text, images, or code in response to user prompts. Examples include ChatGPT and Microsoft Copilot. |
| **Large Language Model (LLM)** | A machine learning model trained on large volumes of text to understand and generate human-like language. |
| **LGOIMA** | Local Government Official Information and Meetings Act 1987 |
| **Personal information** | Information about an identifiable individual, including names, addresses, or contact details. |
| **Privacy** | The right of individuals to control how their personal information is collected, used, stored, and disclosed, in accordance with New Zealand privacy law. |
| **Security** | The protection of digital systems and information from unauthorised access, use, disclosure, or harm. |
| **Waitomo District Council (WDC)** | means the organisation established to administer Council affairs, conduct operations, and bring effect to Council policy and strategies. |

## **POLICY |** KAUPAPA HERE

## 1. Approved AI tools

1.1. Employees may only use the following approved AI tools for Council related work:

a) **Paid ChatGPT**, where the account is purchased and managed by Council.

b) **Microsoft Copilot**, where access and data are managed within Council's Microsoft 365 environment.

c) **Paid Claude AI,** where the account is purchased and managed by Council.

1.2. All other AI tools must not be used.

1.3. **Use of personal AI accounts**

1.4. In order to maintain data and cyber security, legal protection and accountability personal AI accounts must not be used for Council work.

## 2. Principles for AI use

2.1. When using AI tools, employees must follow these principles.

2.2. AI supports work, it does not replace judgement, this means:

a) AI tools may assist with drafting, summarising, or idea generation.

b) AI does not make decisions on behalf of WDC or the Council.

c) Professional judgement, subject matter expertise, and accountability always sit with the employee

2.3. All AI-generated content must be reviewed by a human before use. Employees remain fully responsible for the accuracy, tone, and appropriateness of any content created with AI assistance.

2.4. Council accountability remains unchanged, this means:

a) AI does not speak on behalf of WDC or the Council.

b) AI does not provide official advice, determinations, or commitments.

c) Use of AI does not change existing delegations, responsibilities, or accountability.

d) AI-assisted content must comply with existing Council policies, corporate standards, and applicable copyright and ethical obligations.

2.5. For community-facing content, employees must consider whether AI-assisted outputs may unintentionally exclude, stereotype, or disadvantage any group.

## 3. Appropriate uses of AI

3.1. Approved AI tools may be used to support work tasks such as:

a) Drafting emails, reports, documents

b) Summarising policies, legislation, meeting notes, or background material

c) Brainstorming ideas, options, or approaches

d) Creating plain-English explanations of complex material

3.2. AI use should always align with Council values, policies, and professional standards.

3.3. Employees must use AI only for approved tasks and remain responsible for how outputs are used.

## 4. Information handling and data protection

4.1. AI tools must be used in a way that protects Council and community information.

4.2. The current approved tools are cybersecure and are not shared with other users (i.e. individual user accounts are setup) so information and data can be uploaded that is confidential or internal use only.

4.3. If approved, AI tools that are in the public domain or have multiple users, will need to have restrictions on data and information that can be uploaded. Guidance will be provided for each approved AI tool prior to being released for use.

4.4. If an AI-related issue is identified, it must be managed and reported in line with section 8. An AI-related issue includes suspected misuse, privacy concerns, or unintended disclosure arising from AI use.

## 5. Records, retention, and transparency

5.1. **AI-assisted content**

5.2. Where official WDC records are created or finalised using AI-assistance, they must be managed in line with the LGOIMA, WDC's LGOIMA policy and Information Management policies, including drafts or versions where required to demonstrate decision-making, development, or accountability.

5.3. AI assistance does not change recordkeeping obligations.

5.4. For clarity, AI tools may assist with drafting, analysis, or information analysis, but they do not make decisions on behalf of WDC. Decisions remain the responsibility of WDC employees, and records may document how decisions were developed.

5.5. **Prompts and chat histories**

5.6. Prompts and chat histories generated during WDC-related work are WDC information.

5.7. Where a LGOIMA request is received, all information relevant to that request must be considered for retrieval and disclosure. This may include relevant AI prompts and chat histories. Relevant information must be supplied unless there is a lawful basis for withholding it, in accordance with LGOIMA.

5.8. Employees must use AI tools with the understanding that inputs and outputs generated during WDC-related work may need to be retained or made available to support LGOIMA and other statutory obligations.

## 6. Use outside approved tools or scope

6.1. If an employee believes that a different AI tool would benefit WDC, or a proposed use falls outside the scope of this Policy, they must discuss this with a member of the **AI Working Group** before proceeding to use the tool.

6.2. This initial discussion is intended as an early assessment step only. If a proposed tool or use case has merit, it may be escalated to the AI Working Group for formal consideration in line with Council's AI Governance and Implementation Framework.

## 7. Governance and review

7.1. Overall accountability for AI risk management sits with the Manager Customer and Digital Services, supported by the AI Working Group.

7.2. Given the pace of change in AI technology and security controls, this Policy will be reviewed annually.

7.3. Future updates may:

a) Expand the range of approved tools

b) Introduce additional safeguards or controls

c) Extend coverage beyond generative AI

7.4. Employees must follow the current version of this Policy when using AI tools for Council work.

## 8. Compliance

8.1. Any suspected AI-related privacy, or security concern, must be reported to the employee's Manager or a member of the AI Working Group.

8.2. Any suspected AI-related privacy or security incident must be reported and managed in accordance with WDC's ICT Security Incident Management Process.

8.3. Breaches of this Policy may count as misconduct and may lead to disciplinary action. Any misconduct will be dealt with in accordance with the Staff Code of Conduct Policy and the Disciplinary and Performance Management Policy.