RESPONSIBLE USE OF ARTIFICIAL INTELLIGENCE (AI) AND GENERATIVE AI POLICY

NO.: CPOL/GOV032

Responsible Officer:	Director Corporate Services		
Adopted:	17 November 2026	**Reviewed:**	Initial Release
Next Review:	November 2027	**Type:**	Council

RELEVANT LEGISLATION:

Section 20 of the *Privacy and Data Protection Act 2014* requires Council to comply with the Information Privacy Principles, which outline the minimum standards for how Councils collect, store. manage, handle, use. disclose and destroy personal information.

1. PURPOSE

Council is committed to accessing the benefits of generative artificial intelligence (AI) while ensuring responsible use of AI that is compliant with legislative and ethical obligations and the values and needs of the community. The policy foster innovation while safeguarding ethical standards, transparency, and community trust. It does not prescribe or recommend the application of particular AI systems, applications or solutions.

2. SCOPE

This policy applies to all Council staff, Councillors, volunteers, contractors, and third-party partners who use AI technologies in their work for or with Swan Hill Rural City Council. It covers the use of AI and Gen AI tools currently publicly available or specifically designed for and employed by the Council, including those developed in-house, purchased from vendors or embedded within larger software platforms including cloud-based systems.

3. POLICY

An AI system is a computer-based system that uses information it receives to produce outputs such as predictions, content, recommendations, or decisions, that can influence physical or virtual environments. All uses of AI systems must reflect Australia's AI Ethics Principles and Council's mission and values. AI must not be used to deceive or manipulate stakeholders. Different AI systems vary in their levels of autonomy and adaptiveness after deployment.

Council aims to;

- Adopt AI to enhance efficiency, decision-making, policy outcomes and service delivery for the benefit of our community.
- Have clear accountabilities for the adoption of AI and understand its use.
- Embed a forward-leaning, adaptive approach for Council's use of AI that evolves as the technology changes.
- Build public trust through transparency about Councils AI use.

3.1. Australia's AI Ethics Principles:

The Australian Government has developed the following voluntary principles to ensure AI is safe, secure and reliable.

1. *Human, societal and environmental wellbeing*: AI systems should benefit individuals, society and the environment.
2. *Human-centred values*: AI systems should respect human rights, diversity, and the autonomy of individuals.
3. *Fairness*: AI systems should be inclusive and accessible and should not involve or result in unfair discrimination against individuals, communities or groups.
4. *Privacy protection and security*: AI systems should respect and uphold privacy rights and data protection and ensure the security of data.
5. *Reliability and safety*: AI systems should reliably operate in accordance with their intended purpose.
6. *Transparency and explainability*: There should be transparency and responsible disclosure so people can understand when they are being significantly impacted by AI and can find out when an AI system is engaging with them.
7. *Contestability*: When an AI system significantly impacts a person, community, group or environment, there should be a timely process to allow people to challenge the use or outcomes of the AI system.
8. *Accountability*: People responsible for the different phases of the AI system lifecycle should be identifiable and accountable for the outcomes of the AI systems, and human oversight of AI systems should be enabled.

4. RELATED LEGISLATION, POLICIES AND DOCUMENTS

Child Wellbeing and Safety Act 2005
Competition and Consumer Act 2010 (Cth)
Copyright Act 1968 (Cth)
Privacy Act 1988 (Cth)
Privacy and Data Protection Act 2014
Health Records Act 2001
Public Records Act 1973
Freedom of Information Act 1982
CORP219 – Cyber Security Policy
CORP211 – Privacy Policy
CORP216 – Risk Management Policy
Australian Government – *Guidance for AI Adoption (2025)*

5. DOCUMENT HISTORY

Ver. No.	Issue Date	Description of Change
1.0	November 2026	Initial Release

Approved by Council	**Date:**	**17 November 2026**