Corporate Policy and Resources Committee

Date of meeting 09 September 2024

Title	New Artificial Intelligence Policy
Purpose of the report	To make a decision
Report Author	Sacha Bailey, Projects Officer
Ward(s) Affected	All Wards
Exempt	No
Exemption Reason	Not applicable
Corporate Priority	Resilience Services
Recommendations	**The Committee is asked to:** approve the draft of the new Artificial Intelligence Policy
Reason for Recommendation	Committee is asked to approve the draft policy as there are currently no policies in place to govern and monitor artificial intelligence usage within the organisation.

1.   Summary of the report

What is the situation	Why we want to do something
• A handful of officers have been piloting the use of Co-Pilot in a limited way. • AI is already embedded in many software tools, such as MS Teams. • Spelthorne Borough Council does not have a policy in place to govern and monitor the use of Artificial Intelligence within the organisation. • There has been significant interest in AI, due to the launch	• Given the opportunities and risks that AI can pose, it has become necessary to develop a policy to help staff navigate how to use AI responsibly and ethically. • Implementation of an AI corporate policy demonstrates the organisation's commitment to digitally enabled and accessible services, by improving transparency with residents on how their data is being managed.

of AI tools like ChatGPT, Gemini and Co-pilot. These generative AI tools can instantly respond to questions and prompts.	
This is what we want to do about it	**These are the next steps**
• Adopt an Artificial Intelligence policy. • Introduce staff training and guidance on responsible uses of Generative AI to support their work. • Implement a risk assessment specific to the use of AI. • Introduce a staff declaration form stating that AI will be used responsibly and ethically.	• Gain approval from MAT to proceed with implementation of the Artificial Intelligence policy. • Develop and implement guidance for staff on how to use AI responsibly and ethically. • Update the ICT Personal Commitment Statement form to include the declaration of responsible use of AI.

1.1   This report seeks to obtain approval from Corporate Policy and resources Committee to adopt the draft of a new Artificial Intelligence Policy 2024-2026 (see Appendix A). If approved, the policy will be implemented in accordance with the timetable specified in section 11 of this report.

2.   Key issues

2.1   Recently, there has been significant interest in Artificial intelligence (AI), due to the launch of Generative AI (GenAI) tools like ChatGPT, Gemini and Co-pilot. These GenAI tools can instantly respond to questions and prompts. However, given the opportunities and risks that AI can pose, it has become necessary to develop a policy to help staff navigate how to use AI responsibly and ethically. GenAI is already embedded in other software tools for example, Co-pilot has been integrated across all Microsoft365 apps, including Teams, Outlook and Power Automate. A handful of officers have been piloting use of Co-Pilot in a limited way.

2.1   This policy seeks to:

(a)   ensure staff training and regularly update guidance on responsible uses of GenAI to support their work. An information poster (see Appendix B) will be circulated amongst staff, and guidance on the use of GenAI will be added to SpelNet.

(b)   be transparent with residents about the use of GenAI, particularly if used in public facing services.

(c)   ensure the Council's digital and ICT services account for future uses of GenAI, ensuring the necessary infrastructure and safeguards are in place for responsible use.

(d)   Meetings were held with SBC's ICT Manager and Data Protection Officer, to discuss technical protections to our software systems, and also the risks posed to sensitive data and information. It was considered that having a comprehensive data protection impact assessment, alongside the Policy would reduce any risk to the Council.

(e)   It is important to note that while there are some ICT protections in place to block inappropriate content, data entered into a GenAI tool cannot be easily tracked or monitored. Confidential and personal data must not be entered into a GenAI tool, as information may enter the public domain.

(f)   Implementation of an AI policy demonstrates the Council's commitment to digitally enabled and accessible services. The use of GenAI helps to build the digital skills of staff, helping to upskill the workforce and links to the Council's Digital Vision Statement – "Empower the community and business with technology".

(g)   This policy commits to the core value of being "Open and accountable", as transparency with residents on how their data is being managed, is addressed within the policy.

(h)   Introducing a new AI policy will positively impact the Council's priority area of "Services". GenAI contributes to continuous improvement by providing helpful communication suggestions, explaining complex guidance, and assisting with automating routine tasks, thereby enhancing service delivery and supporting the Council's digital transformation and savings programmes.

(i)   Adopting a corporate policy for the use of GenAI links to the Council's priority of "Resilience", by establishing a framework that reduces the risk of regulatory breaches. Implementing an AI policy also strengthens the council's financial resilience by enabling staff to operate more efficiently and cost effectively.

3.   Options analysis and proposal

3.1   Option 1 - to approve the draft policy so that it can be implemented in accordance with the timetable set out in this report, as presented. **This option is recommended.**

3.2   Option 2 – accept the proposed policy with recommended changes or amendments.

3.3   Option 3 – "Do nothing". In the absence of a clear AI policy, the Council faces significant risks including legal, financial, and reputational consequences. Unintentional misuse of GenAI tools could lead to sensitive information being exposed to the public domain. **This option is not recommended.**

4.   Financial management comments

4.1   There are no financial implications resulting from matters considered in this report. Staff already have access to free versions of GenAI tools. As has been

highlighted above, careful use of AI tools may assist in the delivery of transformation savings.

5. Risk management comments

5.1 A meeting took place with SBC's Data Protection Officer and a comprehensive Data Protection Impact Assessment was conducted (see Appendix C). An additional risk assessment was also compiled, which is specific to the use of GenAI (see Appendix D).

5.2 Data entered into GenAI tools may enter the public domain. This can release non-public information and breach regulatory requirements; therefore, the proposed policy states that users must ensure personal data is not entered into any GenAI tool.

6. Procurement comments

6.1 This report refers to a draft policy for which there are no procurement considerations.

7. Legal comments

7.1 The Council must ensure compliance with the UK GDPR requirements and obligation. ICO's guidance on AI should be considered when utilising GenAI.

7.2 If the user is unsure of whether a particular use of GenAI constitutes copyright infringement or has data protection implications, they should contact Legal Services before using GenAI.

7.3 Any potential or alleged breaches of the policy should be reported to the council's Information Governance Team or senior management. Failure to report may result in disciplinary action, in accordance with the council's Human Resources policies and procedures.

8. Other considerations

8.1 Staff will be required to complete the ICT Personal Commitment Statement form, declaring that all GenAI usage will be conducted responsibly and ethically in accordance with the proposed AI policy.

8.2 When accessing the network during user logon, staff are also required to tick a box that confirms their agreement to use GenAI in accordance with the AI policy.

9. Equality and Diversity

9.1 GenAI may impact different groups of people in different ways, as it may have inherent social bias or have been trained in stereotypes. It may also have inappropriate cultural values or display sensitive content. For example, GenAI must not be allowed to solely determine which customers have access to Council services. Human involvement remains essential in decision-making, and the Council should establish an appeal process for any automated or AI-informed decisions.

10. Sustainability/Climate Change Implications

10.1 Generative AI has the potential to have a significant environmental impact through its role of increasing energy demand and consumption, and therefore reliance on an energy supply. GenAI models consume large amounts of

energy during the training and inference phases and require a substantial amount of energy to cool GenAI processors. As these models grow in size and complexity, and demand for AI services rise, the energy demands will continue to increase.

10.2   As a Local Authority, there is a duty to report on our Green House Gas (GHG) emissions. We currently report on Scope 1 emissions (emissions that a company makes directly e.g. burning of fossil fuels and fleet vehicles) and Scope 2 emissions (emissions used indirectly e.g. purchasing electricity). However, there is a drive to also report Scope 3 emissions (all the associated emissions that an organisation is indirectly responsible for e.g. buying products from suppliers which then produce emissions when customers use them), in which AI is included. Although there is uncertainty around the future environmental impact of AI, with possibilities of companies investing in clean energy sources to power data centres and therefore offsetting some of the projected increase in power demand, AI encompasses a carbon footprint which needs to be accounted for.

10.3   Microsoft, along with other major GenAI providers are already powering their data centres with 100% carbon-free energy or have roadmaps to do so by 2030.

11.   Timetable for implementation

11.1   The policy will become active once approved and will be reviewed annually.

12.   Contact

12.1   Daniel Dredge, Programme Manager d.dredge@spelthorne.gov.uk

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Background papers: There are none.

Appendices:

Appendix A - Artificial Intelligence Policy
Appendix B - AI Info Poster
Appendix C – Data Protection Impact Statement (DPIA)
Appendix D – AI Risks