

Artificial Intelligence (AI) Policy

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Policy Category	Information Communication & Technology
Responsibility	General Manager – People and Corporate Services
Date to Take Effect	26 February 2026
Legislative Reference	NT Information Act, NT Local Government Act & Regulations.
Policy Reference	
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1. Purpose

The purpose of this policy is to establish a framework for the safe, ethical, and effective use of Artificial Intelligence (AI) technologies within East Arnhem Regional Council (EARC). This policy aims to ensure that AI technologies are used ethically, uphold legal standards and regulations, and benefits the community. EARC supports the use of AI to enhance decision making, improve process design and uplift services to the community.

All AI applications will be clearly identified, ensuring that stakeholders understand how their data is being used, stored and analysed.

2. Application

This Policy applies to all employees, councillors, contractors and service providers within the EARC environment.

3. Definitions

- **Artificial Intelligence (AI)** – Technologies that mimic human intelligence to perform tasks, learn from experience and improve over time.
- **Artificial Intelligence Tools (AI Tools)** – Software and applications that employ AI to generate or assist in generating content, solution, or decision-making processes.
- **Generative AI** – AI technology that generates new content or curates existing content, including text, images, music, code, and more, based on the data the technology accesses.
- **Large Language Model (LLM)**: AI systems, such as GPT-5 or BERT, trained on large datasets to generate and interpret text.
- **Public Generative Tools** – Any generative tool that is available to the public that takes user input and uses generative AI to create output. Examples include: ChatGPT, Grok, Perplexity, Claude, Google Gemini, Microsoft Co-Pilot.



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3.1 Types of AI Technologies

Key Categories of AI

1. Generative AI (GenAI): Produces new content like text, images, or audio.
Example: ChatGPT for text generation, ChatGPT Sora for image/video creation.
2. Machine Learning (ML): Learns from data to predict outcomes or automate tasks.
Example: Analysing trends in waste collection.
3. Deep Learning (DL): Advanced ML using neural networks to process complex data.
Example: Image recognition for monitoring environmental changes.
4. Conversational AI: Provides natural language interactions, such as chatbots.
Example: AI-powered customer service tools for resident inquiries.
5. Natural Language Processing (NLP): AI that interprets and generates human language.
Example: Summarising meeting minutes or translating documents.
6. Predictive Analytics AI: Forecasts trends based on historical data.
Example: Planning resource allocation for future community needs.
7. Computer Vision: Analyses visual data for applications like traffic monitoring.
Example: Identifying hazards in public spaces
8. AI-Enhanced Productivity Tools: Tools that integrate AI for efficiency.
Example: GrammarlyGO for professional writing or Microsoft Copilot for task automation

4. Principles

The following principles for the use of AI have been developed with reference to the Australian Government's Guidance of Government use of public generative AI Tools, November 2023. These principles must be adhered to when using AI:

Human, social and environment wellbeing – AI will only be used ethically where it produces benefits for individuals, society, the economy and the environment.

Accountability – Decision making remains the responsibility of the Council and staff. Wherever AI is used, Council will be able to explain, justify and own the decisions made, advice provided, and documents and information produced. Generative AI material must be reviewed, before it is used, by a person with the appropriate skills, knowledge and experience to critically assess the information, its accuracy, completeness and any bias.

Transparency – Council will include the following disclaimer statement where applicable: *This document may contain AI - generated content. EARC is committed to ensuring the accuracy and reliability of all information provided, with thorough review and verification processes in place.*

Privacy protection and security – All public generative AI tools store information beyond our ability to control access or privacy. Accordingly, we will only enter information into AI



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tools that is already public or would be acceptable to be made public. The entering of confidential, private or otherwise sensitive information into an AI tool, particularly a public generative tool is not permitted.

Awareness of bias – Generative AI tools are typically trained on broad sets of data and may reproduce biases present in this data and / or incorrect, misleading, unfair or prejudicial information. Accordingly, EARC will ensure that generative AI outputs are scrutinised to ensure accuracy and fairness, and that Council initiatives and documents are inclusive of human review.

4.1. Support for Staff

When considering implementing new technology (either by acquisition or internal development), or approving freeware applications for use, that comprises or incorporates AI, Council will initially conduct an AI impact assessment against the following criteria:

The above Principles

Privacy Policy

Records Policy

This will be undertaken by the Information and Communications Technology (ICT) team using their governance processes. The ICT team will consult with Council staff with relevant subject matter expertise as necessitated by the specifics of how the technology will be applied and provide approval or otherwise on the usage of AI.

Council is dedicated to investing in staff development, including in relation to technologies and AI and commits to:

- A continuous learning and adaptive approach to AI and innovation.
- Supporting staff to develop their ability to use AI safely and ethically to improve outcomes.
- Incorporate technology and AI awareness training into workforce development and induction training programs.
- Engage with staff on AI awareness, innovation, opportunities and threats.
- Collaborating with staff and the sector to develop and maintain strong frameworks to guide the ethical, legal and effective use of AI as the technology changes.

4.2 Approved AI Tools & Acceptable Use

The Council has reviewed and approved the following AI platforms for use within its operations:

- Microsoft Co-Pilot

Use is permitted only under the following conditions:

- Disabling content sharing: Staff must disable data-sharing features on AI platforms where applicable
- For Microsoft CoPilot: follow organisational security policies to restrict data sharing outside the council
- No use of identifiable or sensitive information: Staff must not enter real people's information into any AI tool, particularly public or non-approved services. This includes



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names, addresses, contact details, employee numbers, or combinations of information that could identify an individual.

- Confidential, financial, or health-related information must never be used.
- Permitted use of generic examples: Staff may use AI tools with generic, fictional, or anonymised examples, or general role descriptions (for example, “a manager” or “a customer”), provided no real person or Council data can be identified.
- Compliance with ICT security policies: AI tools must be used only within approved business functions and must align with Council’s privacy, cyber security and other ICT policies.

5. Version Control

Version	Decision Number	Adoption Date
00	MOC 2025/220	26 February 2026

