

7.3.3 ARTIFICIAL INTELLIGENCE (AI) POLICY STATEMENT

Responsible Manager:	Adil Khan, Chief Information Officer - Digital and Technology
Responsible Director:	Simone Wickes, Director Corporate Services

RECOMMENDATION

That Council

1. **Notes the work undertaken to develop a robust and community-facing Artificial Intelligence (AI) policy statement.**
2. **Adopts the Council AI Policy – Public Summary as attached to this report and**
3. **Authorises publication of the adopted Policy summary on Councils website to provide transparency to the Monash community regarding Councils use of AI.**

INTRODUCTION

This report seeks Council adoption of the Council AI Policy – Public Summary.

The Policy provides a clear and accessible statement of how Monash Council uses Artificial Intelligence (AI), the principles that guide its use, and the safeguards in place to ensure AI is applied responsibly, ethically and in accordance with legislative and governance obligations.

Following several Councillor briefings, internal consultation, external legal advice and a Gender Impact Assessment, Council has developed a robust public summary that explains Councils approach to AI in plain language for the Monash community.

The Policy is now presented to Council for adoption and, subject to approval, will be published on Councils website.

COUNCIL PLAN STRATEGIC OBJECTIVES

A council with good governance, strong leadership and community involvement in decision making

A Council that provides governance and leadership for the benefit of our community through community engagement, advocacy, decision making and action.

BACKGROUND

Council recognises that AI has the potential to support more efficient, accessible and responsive services. However, Council also recognises that AI must be used carefully and with appropriate safeguards to manage risks relating to privacy, accuracy, bias, transparency, accountability and community trust.

To support the responsible use of AI, Council has developed two related but distinct documents:

- Internal AI Policy – an operational policy that guides how Council staff use AI tools in their work, including governance, privacy, risk management, approval requirements, information handling and staff responsibilities.

- Council AI Policy – Public Summary, a community-facing summary that explains Councils overall approach to AI in clear and accessible language, including the principles, safeguards and commitments that guide Councils use of AI.

The report before Council is focused on the Council AI Policy – Public Summary. The Internal AI Policy provides the operational framework that supports responsible use of AI within the organisation, while the Public Summary explains Councils position and commitments to the community.

The Policy is now presented to Council for formal adoption and, subject to approval, publication on Councils website.

DISCUSSION

Council AI Policy – Public Summary

The Public Summary is a plain-language, community-facing document designed to provide transparency to the Monash community about how Council uses AI. It:

- Explains why and how Council uses AI in delivering community services, and sets out Councils Policy Position, that AI is a tool which assists and improves human decision-making, but never replaces it;
- Sets out Councils Guiding Principles for responsible AI use, covering transparency and accountability, human-centred decision-making, privacy and security, fairness and inclusion, accuracy, and a balanced approach to risk, aligned with the Australian AI Ethics Principles and Councils obligations under the *Privacy and Data Protection Act 2014* (Vic) and *Local Government Act 2020* (Vic);
- Commits to disclosing when AI has impacted a decision affecting community members, and to maintaining safeguards including human oversight and bias checks, with updates published on a dedicated AI transparency page on Councils website;
- Recognises that Councillors, as elected representatives, may also benefit from using AI in their role. Councillors are not subject to the operational controls that apply to staff, reflecting their independence, but Council will support them to use AI ethically, guided by the same Guiding Principles;
- Gives the community a way to report a concern or request a review of AI use in Council services; and
- Commits to reviewing the Policy annually, or sooner if AI technology or regulation changes significantly.

Adoption of the Public Summary will build community confidence in Councils use of emerging technology.

FINANCIAL IMPLICATIONS

There are no financial implications to this report.

POLICY IMPLICATIONS

The Council AI Policy – Public Summary complements Councils Internal AI Policy. The Internal AI Policy provides operational guidance for staff use of AI, while the Public Summary provides a transparent community-facing statement of Councils principles, safeguards and commitments. Together, these documents support a consistent governance approach to the responsible use of AI across Council.

CONSULTATION

Internal Consultation:

- Executive Leadership Team
- Digital & Technology Steering Committee
- Digital & Technology
- Governance
- People & Safety
- Strategic Procurement
- Cross-organisational staff engagement informing AI posture, principles and risk appetite
- Councillors.

External Consultation:

- Delos Delta - External Consultation for Drafting AI Policy
- Maddocks Lawyers — independent legal review of both the Internal AI Policy and the Public Summary, including specific consideration of Councillor-related content;
- Gender Impact Assessment advisory input; and

Feedback from all consultation streams has been incorporated into the final version.

SOCIAL IMPLICATIONS

Not Applicable

HUMAN RIGHTS CONSIDERATIONS

Not Applicable

GENDER IMPACT ASSESSMENT

A Gender Impact Assessment (GIA) has been completed as part of this work because this policy is considered to have a direct and significant impact on the Monash community.

The GIA found that AI systems, if not appropriately governed, can reproduce or amplify gender and intersectional bias through training data, model outputs and automated decision-making processes. It also identified opportunities for AI to support gender equality and inclusion by improving accessibility, translation and plain-language communication for diverse community groups.

As a result of the GIA, the following changes were made:

- Explicit inclusion of gender bias, racial and cultural bias, and bias against people with disability, LGBTIQ+ communities and other groups in the Fairness and Inclusion principle in both the Internal AI Policy and Public Summary;
- Introduction of a universal bias, stereotyping and inclusion check that applies to all AI use cases, including AI-generated text, images, summaries and translations;
- Mandatory bias and stereotyping check for AI image generation tools, addressing the risk of stereotyped or non-inclusive depictions;
- Mandatory verification of search engine AI summaries against original sources before use;
- Reframing of content-specific oversight to content that represents, affects or is directed to specific community cohorts identified in Councils planning frameworks, requiring review for accuracy, cultural safety, representation and lived-experience appropriateness; and
- Explicit acknowledgement of bias as a Known Risk in the Public Summary that Council actively manages.

The GIA will be reviewed alongside this Policy annually. Recommendations arising from future GIA reviews will be incorporated at each Policy review cycle.

CONCLUSION

The Council AI Policy – Public Summary provides the Monash community with a clear, plain-language statement of how Council uses AI responsibly, ethically and transparently. It is supported by Councils broader internal AI governance framework, which sets the operational rules for staff use of AI. The Policy has been developed through extensive engagement and advice and is now presented to Council for formal adoption. Subject to adoption, it will be published on Councils website to give the community visibility of Councils approach to AI.

ATTACHMENT LIST

1. City of Monash- AI Policy Summary V 3 [7.3.3.1 - 8 pages]



ARTIFICIAL INTELLIGENCE (AI) POLICY

Public Summary





CONTENTS

Introduction	4
AI Policy Position	4
Our Legal Obligations	4
Guiding Principles	5
Benefits and Risks of AI	5
Councillors and the Use of AI	6
Keeping our Community Informed	6
Reporting an Issue.....	7
Commitment to Review	7
Key Definitions	7

ACKNOWLEDGEMENT OF COUNTRY

Monash Council acknowledges the Traditional Owners of this land, the Wurundjeri Woi Wurrung and Bunurong People, and recognises their continuing connection to the land and waterways. We pay our respects to their Elders past, present and emerging and extend this to all Aboriginal and Torres Strait Islander People.

INTRODUCTION

Monash Council (Council) recognises the potential of Artificial Intelligence (AI) within the organisation to generate value for the community, stakeholders and Council staff. Council also recognises that, as with all technologies, AI comes with risks that need to be understood and managed.

Council has adopted an internal AI Policy that outlines the guidance and guardrails supporting AI use that is safe, responsible and effective, aligning with Council values and improving services to the community.

Through this Public Summary, Council is committed to maintaining transparency, accountability and trust with our community regarding our use of AI.

Purpose of this Summary

This document is a public summary of Monash Council's internal AI Policy. The internal AI Policy is an operational document intended to guide day-to-day staff use of AI.

This Public Summary reflects the principles, commitments and safeguards of the internal AI Policy in a plain-language format for the community.

Who the AI Policy Applies To

The AI Policy applies to all staff, volunteers, work experience students and contractors who access Council information assets and Digital & Technology (DT) systems and use AI for work-related purposes.

Councillors are encouraged and supported by Council staff to apply the Guiding Principles outlined in the AI Policy (Public Summary) and to apply the ethical use of AI.

AI POLICY POSITION

Council will use AI to improve community and customer service delivery, support staff productivity, and innovate processes. AI will be used as a tool that assists, enhances or otherwise improves human efforts and decision making, but is never a substitute for human judgment.

Council takes a data-focused approach to AI governance, meaning our controls are based on the sensitivity of the information being used, not simply on which tool is used. Council approved platforms are available to staff for everyday work, while stricter rules apply to sensitive and confidential information, regardless of the tool.

In using AI, Council seeks to maintain trust, transparency and accountability with our community and people.

OUR LEGAL OBLIGATIONS

Council's use of AI operates within Victoria's legislative framework, including:

- > Privacy and Data Protection Act 2014 (Vic) — Council is required to handle personal information in accordance with the Information Privacy Principles. AI tools used by Council must comply with these obligations. Council will not input personal or sensitive information into public or unapproved AI tools.
- > Local Government Act 2020 (Vic) — Council is committed to the principles of public transparency, accountability, community engagement, and good governance. Council's use of AI will uphold these principles, including ensuring the community is informed and has the opportunity to raise concerns.
- > Gender Equality Act 2020 (Vic) — Council has completed a Gender Impact Assessment for its AI Policy and is committed to ensuring AI use promotes gender equality and does not reinforce bias or disadvantage across gender or other intersectional characteristics.

BENEFITS AND RISKS OF AI

Below are some of the potential benefits and known risks of AI that Council will actively manage and balance through this AI Policy.



POTENTIAL BENEFITS

- ✓ Faster processing times through automated systems
- ✓ Greater accessibility to Council services with potential for out-of-hours inquiries and reporting
- ✓ Smarter improvements over time, as AI helps Council to spot patterns so services can be improved
- ✓ Providing personalised support and helping community navigate complex systems by translating and providing plain text summaries



KNOWN RISKS

- ✗ AI can sometimes 'hallucinate' and generate incorrect or misleading information
- ✗ Personal information can be mishandled if strong safeguards aren't in place
- ✗ AI systems can reflect biases and deficiencies present in the data they are trained on including gender, racial, cultural, disability, age and socio-economic biases
- ✗ It may be unclear when AI was used or how an outcome was reached without clear disclosure

GUIDING PRINCIPLES

PRINCIPLE	WHAT THIS MEANS FOR COUNCIL	WHAT THIS MEANS FOR COMMUNITY
Transparency, accountability and trust	Council will be open and transparent about the use of AI, particularly where it supports services, decisions or outcomes that affect community members.	> You will be told when AI has materially helped produce a decision or influence an outcome that affects you.
Human-centred decision making	Council decisions and advice will remain grounded in human judgment and Council values. AI will only be a support tool.	> Council (not AI) remains responsible for final decisions that impact you. > Human support will be available, particularly for complex or sensitive matters.
Privacy, security and data protection	Council will ensure that AI use protects the privacy and security of the community and Council information to the standard required in applicable privacy legislation.	> Your personal and confidential information is not entered into public AI tools.
Fairness and inclusion	AI-supported work will support accessible services, will not unfairly disadvantage any community group, and will be checked to reflect the diversity of Monash.	> Council will actively check AI-generated content for bias, stereotyping and exclusion before it is used and ensure it reflects the diverse perspectives, identities and needs of our community. > Council will not use AI to make assumptions about a person's gender identity, cultural background, sexuality, disability or other personal characteristics based on other information.

PRINCIPLE	WHAT THIS MEANS FOR COUNCIL	WHAT THIS MEANS FOR COMMUNITY
Accuracy and quality control	AI outputs must be checked and verified, ensuring Council information, advice and communications are consistent, current and supported by reliable sources.	> Information you receive (letters, website content, advice) is checked by people to ensure it is correct and consistent with Council policy. > Council does not use AI in ways that could spread misinformation or create confusing guidance.
Ethical, social and environmental responsibility	Council will use AI in ways that align with its values, community expectations, and applicable standards of conduct, and will consider broader social and environmental impacts.	> Council use of AI upholds fairness, respect, and integrity in its service to the community to the community. > Council will monitor whether the use of AI is genuinely beneficial to the community in any given situation.
Balanced risk approach	Council will enable responsible innovation with AI, allowing experimentation with low-risk use cases and approved tools and escalating governance and oversight as impact and risk increase.	> Council does not 'test' AI in ways that could be potentially harmful to the community or are above Council established risk thresholds.

COUNCILLORS AND THE USE OF AI

Council acknowledges that, like staff, Councillors may benefit from the use of AI in undertaking their roles as elected representatives.

Councillors are not subject to the operational controls that apply to Council staff under the internal AI Policy, reflecting the distinct role and independence of elected representatives.

Council staff will support Councillors in the ethical and responsible use of AI, including by making available guidance aligned with the Guiding Principles set out in this Public Summary.

KEEPING OUR COMMUNITY INFORMED

Through this Public Summary, Council will ensure our community are appropriately informed of Council AI use. We commit to:

- > Clearly indicating when AI use has impacted a decision or outcome that affects community members
- > Explaining the purpose of AI use and the safeguards in place, including privacy, security, human oversight, bias and inclusion checks
- > Providing accessible information and updates through Council channels, including maintaining a dedicated AI transparency page on the Monash Council website, updated regularly.

REPORTING AN ISSUE

If you have an issue or concern about how AI was used in a Council service or interaction, you can report it and request a review by contacting Council:

Email: mail@monash.vic.gov.au

Phone: 03 9518 3555

Mail: PO Box 1, Glen Waverley 3150

Council takes concerns seriously, and reports will be assessed by an appropriate staff and the community member informed back of the outcome.

COMMITMENT TO REVIEW

This Public Summary will be reviewed every one (1) year, in line with the internal AI Policy review cycle, or sooner where significant changes in AI technology or regulation occur.

KEY DEFINITIONS

These definitions express Council's understanding and approach to AI use as outlined in the AI Policy.

WORD	DEFINITION
Artificial intelligence (AI)	Technologies that enable computer systems to perform tasks that typically require human intelligence, often representing traits similar to perception, reasoning, analysis and decision making. AI technologies include various domains that perform different tasks, including generative AI, machine learning and automation.
Generative AI	A domain of AI that creates new content such as text, writing, images and videos by learning from data patterns. Often referred to as GenAI.
Bias (in AI)	When an AI system produces results that unfairly favour or disadvantage particular groups of people. Bias can come from the data an AI system learns from and can reflect existing inequalities. For example, based on gender, race, culture, disability or age.
Hallucination	When an AI system generates information that sounds convincing but is inaccurate, misleading or made up. This is why Council checks and verifies AI outputs before relying on them.



CITY OF
MONASH

Monash Civic Centre | 293 Springvale Road, Glen Waverley, 3150 | 8.30am to 5pm | Monday to Friday

Oakleigh Service Centre | 3 Atherton Road, Oakleigh, 3166 | 8.30am to 5pm | Monday to Friday

9518 3555 | www.monash.vic.gov.au | mail@monash.vic.gov.au | NRS 1800 555 660

Monash Interpreter Service

普通话 4713 5001

Việt Ngữ 4713 5003

हिंदी 4713 5005

한국어 4713 5010

தமிழ் 4713 5021

廣東話 4713 5002

Ελληνικά 4713 5004

Italiano 4713 5008

සිංහල 4713 5020

Other languages 4713 5000

