



Illawarra Shoalhaven Joint Organisation Draft Use of Artificial Intelligence Policy

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Policy Objectives

This policy outlines the Illawarra Shoalhaven Joint Organisation's (the ISJO's) commitment to using Artificial Intelligence (AI) in a way that benefits the community, respects individual rights and aligns with ethical standards.

The ISJO recognises the transformative potential of AI technologies to enhance services and to deliver value to our stakeholder Councils and their communities. However, the use of AI necessitates a strong commitment to principles of privacy, fairness, accountability and safety.

This policy therefore provides transparency as to how the ISJO will use AI, the safeguards we will put in place to protect personal information and the accountability mechanisms that ensure AI's responsible application within our organisation.

The beginning of our AI journey:

It should be noted that the ISJO is at the very early stages of adoption of AI approaches. We will be guided on this journey by actively seeking assistance from leaders in our sector and through embracing opportunities generated through government programs, legislative requirements and Agency benchmarks.

Policy Scope

This policy applies to all employees, contractors, consultants and third-party service providers involved in AI-related activities that support the delivery of services, support decision-making or enhance the ISJO's operational efficiency.

The policy covers AI tools for strategic planning and program delivery, waste management, environmental monitoring, emergency management, biosecurity and other functions and programs delivered by the ISJO.

Policy Statement

Principles

The ISJO's use of AI is guided by these principles:

1. Transparency: The ISJO will always inform the community when AI is used in its services or decision-making processes
2. Privacy Protection: Personal data will not be used with AI tools unless it is anonymised and complies with legal requirements
3. Fairness: AI systems will be tested and monitored to ensure they are unbiased and inclusive
4. Accountability: Human oversight will always be maintained, and decisions with significant impacts will not be made solely by AI
5. Safety and Security: The ISJO will use secure AI systems and protect stakeholder and community data from unauthorised access or misuse.

How AI may be used

The ISJO is committed to ensuring AI technologies are used responsibly and in ways that respect community values. To uphold this commitment, AI applications will be carefully sourced to promote inclusivity and safeguard against potential harm or marginalisation of individuals or groups.

The ISJO may use AI to improve services, solve problems and enhance its operations.

The table on the following page provides examples of how AI may be used to enhance our effectiveness.

Function	Potential AI application	Benefits
Customer Service	Use of chatbots to answer questions and analyse feedback.	Makes it easier for stakeholders to get information quickly and assists in the identification of areas for service improvement
Waste Management	Analysis to optimise garbage collection routes or to create educational materials on recycling / soft plastics / FOGO	Reduces costs, lowers emissions and improves recycling participation
Emergency Management	Drafting of real-time updates during emergencies or summarising post-event reports	Member Councils are assisted to keep residents informed and better preparation and response in future emergencies is promoted
Environmental Monitoring	Generation of climate impact reports or monitoring parks / biodiversity / biosecurity	Supports sustainability and protects the local environment
Recruitment	Screening of resumes and drafting of job descriptions	Speeds up hiring and ensures fairer recruitment processes.
Risk, Audit and Compliance	Identification of regulatory risks through pattern analysis, automating compliance documentation, or detecting anomalies in financial data.	Enhances transparency, reduces risk of fraud, and ensures adherence to regulations for the safety and benefit of the community.
Electric Vehicle (EV) Infrastructure	Prediction of energy demand for EV charging stations and optimizing charging schedules	Supports the growth of EV adoption by ensuring reliable charging infrastructure, reducing range anxiety, and improving energy efficiency
Reducing Carbon Footprint of ISJO Vehicles	Analysis of fleet data to identify opportunities to transition ISJO vehicles from traditional fuels to EVs	Reduces ISJO vehicle emissions, lowers operating costs, and sets an example for environmental responsibility in the community
Marketing and Communications	Generation of targeted content for newsletters, social media, and community engagement campaigns.	Ensures timely and relevant communication with residents, improves outreach, and encourages community participation

Safeguards to Protect the Community

To ensure the responsible use of AI, the ISJO will have in place safeguards that prioritise stakeholder trust and safety:

1. Privacy and Confidentiality

The ISJO will never input personal or sensitive data (e.g., customer information, financial records) into AI tools.

All data used in AI systems will be anonymised and encrypted to protect individual privacy.

2. Human Oversight

The ISJO will ensure that AI-assisted decisions, particularly those impacting individuals' rights or access to services, will always involve a human review. AI tools will be used to support, but not replace, human decision-making in critical areas. Regular audits will also be conducted to assess the accuracy, fairness, and transparency of AI-assisted decisions.

3. Bias Monitoring and Fairness

The ISJO will employ structured bias detection and fairness testing methodologies to ensure AI systems do not produce discriminatory outcomes. This includes conducting pre-deployment bias impact assessments, using diverse and representative datasets for training AI models and implementing continuous monitoring to detect any disparities in AI outputs.

Independent audits may be conducted annually to verify that AI tools remain fair and unbiased, with public reports detailing the outcomes of these assessments. AI fairness benchmarks will be established and reviewed quarterly to align with evolving ethical standards and community expectations.

4. Transparency

The ISJO will clearly communicate when and how AI is used in its services.

Public reports on AI usage will be shared annually, highlighting its purposes and outcomes.

5. Security Measures

In the event of AI system failures, unintended consequences, or ethical concerns, the ISJO will include AI as part of our Cyber and Data Incident Response Plan. These plans will include a formal process for reporting AI-related errors, an escalation mechanism for affected residents, and a structured remediation framework to correct any issues. Any AI-related incidents will be documented and reviewed by the Privacy and Cyber Security Officers to determine their root cause and prevent recurrence.

The ISJO will ensure that AI tools comply with relevant privacy and data protection laws.

Approved AI Tools and Acceptable Use

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

- ChatGPT
- Microsoft Copilot
- HatchCanvas

Disabling Content Sharing:

Staff must disable data-sharing features on AI platforms where applicable.

- For ChatGPT Enterprise: Ensure "Chat History & Training" is turned off before use.
- For Microsoft Copilot and HatchCanvas: Follow organisational security policies to restrict data sharing with outside entities.

No Use of Sensitive Data:

Staff must not input or process personally identifiable information (PII), confidential, financial, or health-related data on these AI tools.

Compliance with Data Security Policies:

AI tools must be used on within approved business functions and must align with the ISJO's Privacy and Cyber Security policies and procedures.

Any new or evolving AI technologies proposed for use within the ISJO must undergo a formal review and approval process. This review will assess:

- Security & Privacy Risks – Ensuring compliance with privacy laws, cybersecurity policies and data protection regulations.
- Ethical & Legal Compliance – Evaluating AI tools for bias, fairness and adherence to anti-discrimination laws.
- Operational Alignment – Confirming that AI technologies support ISJO objectives, service delivery, and community values.
- Transparency & Accountability – Verifying that AI usage is clearly communicated to staff and residents.

Compliance with Laws and Regulations

We will ensure:

- Legal Adherence: All AI initiatives will comply with Federal and State laws, including the Privacy and Personal Information Protection Act 1998 (NSW) and related legislation
- Regulatory Alignment: Practices will align with guidelines from bodies like the NSW Information and Privacy Commission to promote trust and consistency.

Privacy and Data Protection

We shall ensure that AI initiatives will adhere to all applicable federal and state laws, including:

- Privacy and Personal Information Protection Act 1998 (NSW)
- Anti-Discrimination Act 1977 (NSW)
- Government Information (Public Access) Act 2009 (NSW)
- Australian Human Rights Act.

Policy Definitions

Artificial Intelligence (AI)	Artificial Intelligence (AI): Technologies that enable machines to perform tasks typically requiring human intelligence, such as learning, decision-making, and language understanding.
Natural Language Processing (NLP)	A subset of AI focusing on enabling machines to understand, interpret, and respond to human language.
Machine Learning (ML)	Algorithms that allow systems to learn and improve automatically through experience, rather than explicit programming.
Automated Decision-Making (ADM)	The process where decisions are made or supported by AI systems without direct human intervention.
Algorithmic Bias	Systematic and repeatable errors in an AI system resulting in unfair outcomes for certain groups or individuals.
Personal Information	Any data about an identifiable or reasonably identifiable individual.
De-identification	Techniques used to prevent the identification of individuals in a dataset.

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