



Policy Number: IT-1.07
Council Approval: 3/11/25
Effective Date: 3/11/25

Township of Adelaide Metcalfe Responsible Use of Artificial Intelligence

1. PURPOSE

This policy establishes a framework for the responsible use of Artificial Intelligence (AI), including generative AI, within the Township. It aligns with the requirements outlined through provincial direction under Bill 194 (Enhancing Digital Security and Trust Act, 2024) and aligns with the Voluntary Code of Conduct for Advanced Generative AI Systems issued by Innovation, Science and Economic Development Canada (ISED).

The aim is to protect residents, uphold public trust, and ensure that AI use is accountable, transparent, safe, and fair. At the same time, the Township recognizes AI as a valuable tool to help offset organizational capacity constraints, improve efficiency, and expand staff ability to deliver services to the community.

2. DEFINITIONS

For the purposes of this policy,

“Artificial Intelligence” means a machine-based system that, for explicit or implicit objectives, infers from input data how to generate outputs such as predictions, content, recommendations, or decisions that can influence physical or virtual environments.

“Privacy policy” means the Township of Adelaide Metcalfe’s Protection of Privacy and Confidentiality of Information Policy, as amended from time to time.

3. SCOPE

This policy applies to:

- All Township staff, contractors, and consultants using or procuring AI on behalf of the Township.
- Any AI tool, application, or service used for Township operations, public service delivery, or decision support.
- Both internal tools (e.g., document drafting aids, data analysis software) and public-facing services (e.g., chatbots).

4. GUIDING PRINCIPLES

The Township will:

1. Be Accountable – Staff using AI remain responsible for all outputs. AI cannot replace Council authority or staff accountability.
2. Protect Privacy & Security – No personal or sensitive resident data shall be entered into AI systems unless approved by the Clerk or CAO and compliant with MFIPPA and the Township's Privacy policies.
3. Ensure Transparency – Residents will be told when AI is used in public-facing services. AI-generated content should be labelled clearly where feasible.
4. Maintain Human Oversight – AI may assist, but staff will review, validate, and approve all outputs before they are acted upon.
5. Manage Risk Proportionately – The Township will prioritize caution for higher-risk uses (e.g., decisions affecting residents' rights) and allow low-risk uses (e.g., drafting internal communications) with lighter oversight.
6. Fairness & Equity – AI will not be used in ways that discriminate against or disadvantage residents or staff.
7. Promote Innovation & Capacity-Building – The Township will encourage staff to explore responsible uses of AI to reduce administrative burden, streamline operations, and extend service capacity in ways that benefit residents.

5. ROLES AND RESPONSIBILITIES

Council:

- Approves this policy and governs the use of AI.
- Supports the adoption of AI responsible, where it improves municipal capacity and efficiency.

CAO or Clerk in consultation with Information Technology Services:

- Acts as the AI Policy Lead.
- Approves any new AI use cases.
- Ensures compliance with privacy, security, and legislative requirements.

- Encourages and guides staff in identifying opportunities where AI can offset organizational constraints and create efficiencies.
- Will maintain an AI Use Registry to be updated and published on the Township’s website.

Department Managers:

- Identify potential AI uses within their areas.
- Ensure staff follow this policy.
- Notify the CAO or Clerk in advance of any proposed new AI tool or use case, providing a brief description of its purpose, data use, and expected benefits.
- Report issues or risks to the CAO or Clerk.
- Promote responsible experimentation with AI where it can reduce manual workload or improve service delivery.

Staff:

- Notify the CAO or Clerk in advance of any proposed new AI tool or use case, providing a brief description of its purpose, data use, and expected benefits.
- Use AI responsibly, only for approved purposes.
- Validate AI outputs before relying on them.
- Do not enter confidential or personal resident data into AI tools without CAO or Clerk approval.
- Report errors, risks, or unintended impacts to their Manager or Supervisor.
- Seek opportunities to responsibly leverage AI to make better use of limited staff capacity.

6. AI USE & RISK MANAGEMENT

Acceptable Uses (Lower-Risk):

- Drafting template letters, reports, or communications (subject to staff review).
- Summarizing policies or bylaws for internal use.
- Research support and brainstorming.
- Automating routine administrative tasks to free staff time for higher-value work.

Higher-Risk Uses (Require Council awareness and CAO approval):

- AI systems that process private or confidential information. Any private or confidential information being processed must have a Privacy Impact Assessment completed leveraging the Township’s Privacy policy prior to any potential approval.
- AI systems that influence service eligibility, fees, or enforcement decisions.
- AI used for monitoring, surveillance, or public safety.
- Any use that processes resident personal data.

Prohibited Uses:

- The Township will not adopt or permit the use of AI systems that are designated as prohibited by provincial or federal law, including but not limited to AI that undermines human rights, social equity, or public safety.

7. VENDOR & PROCUREMENT REQUIREMENTS

When procuring AI tools, the Township will:

- Prefer vendors who follow Canada's Voluntary AI Code of Conduct.
- Require clear terms on data ownership, privacy, and liability.
- Seek simple audit / reporting options from the vendor.
- Favour solutions that deliver efficiency gains and demonstrable improvements in service capacity.

Selection and Approval of AI Tools:

- The Township will only procure or use AI tools that have been reviewed and approved by the CAO or Clerk, in consultation with Information Technology Services and relevant Department Managers.
- Before any AI system is procured or subscribed to, staff must submit a brief justification outlining the tool's purpose, expected benefits, data requirements, and risk level.
- Open consumer AI tools (e.g., ChatGPT, Gemini or similar) may only be used for approved low-risk purposes and must be pre-approved by the CAO or Clerk.
- The Township will maintain a list of approved AI tools and vendors and be published as part of the Township's AI Use Registry.

8. TRANSPARENCY & RESIDENT RIGHTS

- Residents will be informed when interacting with AI systems (e.g., "This service uses AI to assist staff").
- Residents may request human review of any AI-supported decision.
- The Township will publish and maintain a brief AI Use Registry on its website summarizing active AI uses, which will be updated as new systems are adopted or decommissioned.

9. PRIVACY, SECURITY & DATA

- All AI use must comply with MFIPPA and the Township's Privacy policy and practices.
- Personal or sensitive information shall not be entered into public AI tools (e.g., ChatGPT, Google Bard) without explicit CAO or Clerk approval.
- Data used in AI systems must be limited to what is necessary, stored securely, and deleted when no longer required.

Breach Response:

- In the event of an AI-related incident or breach creating a real risk to residents, the Township, following its Privacy policy, will notify affected individuals, Council, and the Information and Privacy Commissioner of Ontario, as appropriate.

10. TRAINING & AWARENESS

- Staff will receive training on responsible AI use, risks, and this policy.
- Periodic refreshers will be provided if new tools or higher-risk use cases are introduced.
- Training will highlight how AI can be used to ease workload pressures and create efficiencies, while maintaining accountability.

11. MONITORING & REVIEWING

- Staff must report errors, unusual outputs, or risks promptly.
- The CAO or Clerk will maintain a simple log of AI uses and issues.
- An annual report will be provided to Council, including:
 - Active AI systems/tools
 - Benefits observed
 - Risks or incidents managed
 - Recommended changes to this policy
 - Examples of how AI helped offset organizational capacity challenges.

12. POLICY REVIEW & FUTURE COMPLIANCE

This policy will be reviewed at least every two years, or sooner if:

- Provincial or federal legislation/regulations change, or
- The Township adopts higher-risk AI systems.