



Ref: [REDACTED]

Civic House, 110 Trafalgar Street
PO Box 645, Nelson 7040, New Zealand

P (03) 546 0200

E LGOIMA@ncc.govt.nz
nelson.govt.nz

26 September 2024

[REDACTED]
[REDACTED]

By E-mail Only: [REDACTED]

Dear [REDACTED]

OFFICIAL INFORMATION REQUEST – ARTIFICIAL INTELLIGENCE

I refer to your official information request dated 6 September 2024 relating to Artificial Intelligence tools/applications used at Nelson City Council. Your questions are reproduced in bold with our responses below each one:

**"Is the Council currently using any AI applications/tools? If yes, please list:
o The name of the application
o The use of the application"**

Council has developed an AI tool for assisting with submissions during a consultation – it helps with sentiment analysis and drafting submission responses. There are six Copilot integrated AI assistant licenses being used at Council currently, but this is a temporary arrangement which will end this year. A small number of staff are using a tool called Krisp to enhance voice quality in online meetings. This tool comes with AI transcription options which we turn off by default, but three staff are trialling its usefulness.

"A copy of any policies or procedures Council has relating to the introduction or use of AI applications/tools."

Please see attached.

You have the right to seek an investigation and review by the Ombudsman of this response. Information about how to make a complaint is available at www.ombudsman.parliament.nz or Freephone 0800 802 602. If you wish to discuss this response, please feel free to contact me: Nicky.McDonald@ncc.govt.nz

Yours sincerely

Nicky McDonald
Group Manager Strategy and Communications

Encl: Artificial Intelligence Policy

Internal Document ID: [REDACTED]

Policy for use of Artificial Intelligence (AI) at Nelson City Council

Contact person for queries: Manager Strategy and Communications

Approved by: Senior Leadership Team

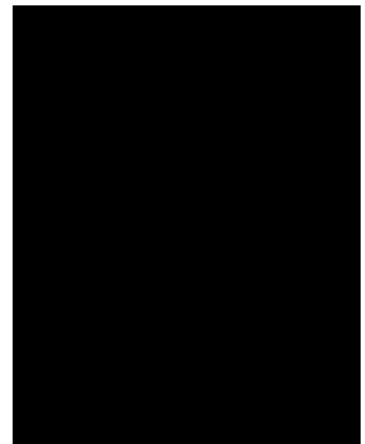
Approval date: 15 April 2024

-
1. Any use of an AI tool integrated into a Council project, activity, or process must be approved by a Group Manager. As an example, this would mean using AI to help analyse submissions for a public consultation would need approval but using AI to improve the text in a report or generating ideas for an agenda would not.
 2. Do not use sensitive, personal or confidential information in an AI tool without Senior Leadership Team approval and, even then, only if you are using a contained system (ie one that is not linked to the internet and where our data is not shared outside Council). NB: Council's Copilot AI tool operates in a contained system.
 3. Even when operating in a contained system, try to remove any sensitive, personal or confidential data first, or if that is not possible then complete a privacy assessment (see form Appendix 1) and have it approved by Council's Privacy Officer (Group Manager Strategy and Communications).
 4. Avoid, if at all possible, inputting into AI tools any information that Council would be likely to withhold under a LGOIMA (Local Government Official Information and Meetings Act) request.
 5. Given the potential for inaccurate or incomplete or out of date outputs, think carefully about using AI tools for projects that are business-critical for Council.
 6. The responsibility for outputs remains with the responsible staff member. AI tools are known to make mistakes and invent material and their input should not be assumed to be correct.

7. A testing regime should be included to verify information from AI where that is key to the performance of a project.
8. Do not use AI tools for work purposes where data may be retained by a third party (usually for the use of further training the AI tool).
9. Consider Te Tiriti o Waitangi and the impact of AI on any Māori data Council may hold or on Council services involving Māori, and work with Māori in such cases.
10. Consider the risk of inbuilt bias in the tool for any projects using AI.
11. Always let the community know when AI is being used and why, in relation to projects involving the public, and let them know how they can access/correct their information.
12. Where staff are working with an external provider using an AI tool in a project for Council:
 - the security of the provider's system needs to be assessed before proceeding;
 - there needs to be clear agreement on what happens to Council's data once any contract ends;
 - responsibilities for incident management need to be clearly defined in the contract.

Appendix 1: Privacy Impact Assessment for use with AI tools

Available [here](#).



Privacy Impact Assessment relating to Artificial Intelligence tools

#	Description of the privacy principle (from the Privacy Act 2020)	Summary of personal information involved and issues for consideration	Assessment of compliance with principle
1	Principle 1 - Purpose of the collection of personal information Principle 10 – Limits on use of personal information Only collect personal information if you really need it. Only use personal information for the purpose it was collected for	Identify each element of personal information that may/ will be collected if you proceed and satisfy yourself that it is necessary for the activity/ project. What is the purpose of collecting the personal information involved here? How will that enable Council to do what it needs to do? Are you only collecting what you actually need? For example, do you really need “date of birth”, or will “age” or “over 18” be enough? How will you ensure the information is only used for the intended purpose?	Comments:
			Note whether compliant or not: ✓ or x
2		How is the information to be collected, and who from?	Comments:

	Principle 2 – Source of personal information Get it directly from the people concerned wherever possible	If personal information is collected from some source other than the individual, is this appropriate and justifiable?	Note whether compliant or not: ✓ or x
3	Principle 3 – Collection of information from subject Tell them what information you are collecting, where it will be held, who will have access to it and why, what you're going to do with it, whether it's voluntary to provide all or some of the information, and the consequences if they don't provide it.	How will you tell people everything in this checklist? Or will it be so obvious to them that you don't need to spell it out? If you're not going to provide details, which of the exceptions (in Principle 3 of the Privacy Act 2020) applies? NOTE: Many of these aspects may be covered in Council's privacy statements (see Privacy or Council's Privacy Policy (Privacy breach policy and management plan - approved 15 May 2023.docx (sharepoint.com)))	Comments: Note whether compliant or not: ☐ or x

4	Principle 4 – Manner of collection of personal information Be fair and not overly intrusive in how you collect the information Take particular care if collecting information from children or young people	This should describe how the information is collected, and should assess whether the method of collection is lawful, fair and appropriate in the circumstances. What is fair and appropriate may look different if you are collecting children or young people's information. Thought should also be given to adjusting collection methods as required for speakers of other languages and those experiencing disabilities where appropriate.	Comments: Note whether compliant or not: ☐ or x
5		How will the information be stored and protected? Consider how you will provide access to the information owner if required Consider how you will correct information if required, including advising any agency that the information has been legitimately shared with about the update	Comments:

	Principle 5 – Storage and security of personal information Principle 6 – Access to personal information Principle 7 – Correction of personal information Principle 9 – Do not keep personal information for longer than necessary Take care of it once you've got it and protect it against loss, unauthorised access, use, modification or disclosure and other misuse. Provide access to the information owner if required Ensure the information owner can correct their information if necessary Dispose of the information appropriately as soon as possible	Consider how the information will appropriately be disposed of and when? Refer to Council's Privacy Policy (Privacy breach policy and management plan - approved 15 May 2023.docx (sharepoint.com)) and other privacy resources (Privacy Policies and Procedures (sharepoint.com)) for guidance.	Note whether compliant or not: ✓ or x
6	Principle 8 – Accuracy etc. of personal information to be checked before use Principle 11 – Limits on disclosure of personal information Make sure personal information is correct,	Think about what steps will be taken to make sure information is correct before use or authorised sharing, and to make sure the Artificial Intelligence tool does not introduce errors. Also consider how damaging would it be if the information is wrong or misleading? The more damaging it will be, the more	Comments:

	relevant and up to date before you use it Do not disclose information unless there is justifiable reason	extensive should the steps be for checking accuracy. If you are going to disclose the information, which of the exceptions (in Principle 11 of the Privacy Act 2020) allows you to do this? Consider how you will ensure unauthorised disclosure does not occur	Note whether compliant or not: ✓ or x
7	Principle 12 – Limitations on disclosure outside of New Zealand Do not disclose information internationally unless the information will be protected by comparable safe guards to New Zealand's	Consider the AI model that is intended to be used (open or closed) and where the servers are located (re storage) – are these in New Zealand? Somewhere with comparable protections (Australia, Europe)? A country without comparable protections (e.g. USA)	Comments: Note whether compliant or not: ✓ or x