CABINET

20 DECEMBER 2024

REPORT OF THE LEADER OF THE COUNCIL

A.4   ADOPTION OF AN ARTIFICIAL INTELLIGENCE BEST PRACTICE APPROACH AT TENDRING DISTRICT COUNCIL

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT

For Cabinet to endorse and adopt an ethical approach for the use of Artificial Intelligence (AI) at Tendring District Council (TDC).

EXECUTIVE SUMMARY

Artificial Intelligence (AI) is a rapidly growing field with significant potential to enhance the efficiency and quality of work at TDC. However, its use carries risks, particularly around data governance and ethical considerations. This report proposes the adoption of an AI Best Practice Approach to ensure safe and effective use of AI within the Council. The document consolidates existing policies and provides guidance on the benefits, ethical use, and best practices for AI.

RECOMMENDATION(S)

It is recommended that Cabinet:

  (a) approves and adopts the proposed Artificial Intelligence Best Practice Approach (as at Appendix A) for use at Tendring District Council; and

  (b) delegates authority to the Portfolio Holders responsible for Communications and IT to make any future changes required to the guidance to ensure it is updated and reflects best practice as this area develops future.

REASON(S) FOR THE RECOMMENDATION(S)

The approach will help mitigate risks associated with AI use, ensure compliance with data governance and ethical standards, and promote the benefits of AI within the council.

ALTERNATIVE OPTIONS CONSIDERED

  1. Not adopting the approach; this was ruled out as it could result in missed opportunities and potential misuse of AI.

  2. Developing a policy instead of a best practice approach; this option was deemed unnecessary as existing policies cover relevant areas.

PART 2 – IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES

The document forms part of the action plan contained within the Communications Strategy 2024-2028, adopted by Cabinet in March 2024, which has a target of supporting the development of an ethical framework for AI by the end of 2024; and testing AI tools within the Communications service in the following year.

With the potential for AI use running across departments, it does not contribute to any one specific theme within Our Vision.

OUTCOME OF CONSULTATION AND ENGAGEMENT (including with the relevant Overview and Scrutiny Committee and other stakeholders where the item concerns proposals relating to the Budget and Policy Framework)

The draft document was circulated for feedback to the IT and Governance departments, and a workshop was held with relevant staff; alongside a session held with the Leader of the Council (the Portfolio Holder for Communications), the Portfolio Holder for Assets (which includes IT) and the Digital Champion Member.

Feedback from these consultations, which included suggestions around cyber security, data governance and best practice examples – as well as ensuring the primacy of legislation is enshrined within the document – has been incorporated into the final draft found at Appendix A.

LEGAL REQUIREMENTS (including legislation & constitutional powers)

Is the recommendation a Key Decision (see the criteria stated here)	~~YES~~/NO	If Yes, indicate which by which criteria it is a Key Decision	☐ Significant effect on two or more wards ☐ Involves £100,000 expenditure/income ☐ Is otherwise significant for the service budget
		And when was the proposed decision published in the Notice of forthcoming decisions for the Council (must be 28 days at the latest prior to the meeting date)	

There are no specific legal duties, powers or restrictions for the authority relating to this – the Council is free to adopt policies and approaches to ensure the effective and legal use of technology (under s111 of the 1972 Local Government Act, "a local authority shall have power to do any thing… which is calculated to facilitate, or is conducive or incidental to, the discharge of any of their functions").

The approach pulls together a number of different legislative areas pertaining to AI. As the technology evolves there may be updates to legislation and regulation of the field; any such changes will need to be considered in future updates. The document sets out that legislation takes primacy over any guidance.

Likewise, there is no specific guidance for local authority use of AI – however, the document does set out guidance adopted by the Government Communication Service for civil service use of AI.

X	**The Monitoring Officer confirms they have been made aware of the above and any additional comments from them are below:**

In local government, ethical and legal considerations surrounding the use of AI hold particular significance. During the period of implementation, it is vital that the Council addresses potential issues such as bias, transparency, and adherence to ethical standards on a continuous basis. Ensuring the responsible and fair use of AI not only maintains public trust but also maintains the values of justice and equity that are central to local governance.

Ethics and bias:

In local government legal contexts, the possibility of bias in AI systems requires careful attention. AI system models are trained on historical data, which can inadvertently perpetuate existing biases. It is crucial to educate staff about the significance of detecting and mitigating potential bias within the AI system. This is particularly critical in local government settings, where decisions can impact diverse communities. Legal professionals should be sensitised to situations where AI systems may inadvertently reinforce discriminatory practices or unbalanced outcomes. For example, if an artificial intelligence system is assisting in selecting candidates for public programs or participation, it should be closely monitored to ensure equal representation and fairness amongst the candidates.

Transparency and accountability:

Decisions driven by AI must be transparent and understandable. Training must emphasise the significance of AI models providing clear explanations for their conclusions. This is especially crucial in legal matters where comprehensible decision-making is essential for building trust and confidence. Transparent AI systems empower local government legal professionals to explain to residents how AI generated insights were reached. A high level of accountability is vital because it demonstrates alignment with the commitment to serving and upholding public interest.

Official Guidance:

Familiarity with relevant policy documents which outline ethical AI practices is vital. Within the UK context, the White Paper on Artificial Intelligence (last updated in August 2023 under the previous government, but not removed or withdrawn) serves as a guiding document for AI ethics and regulations. While not legally binding at present, the White Paper will in time, and with amendment, become law, as such, the principles laid out in the White Paper offer a roadmap for ethical AI.

FINANCE AND OTHER RESOURCE IMPLICATIONS

The document does not commit the council to any specific spending. Some AI tools are available for free or as part of existing software licences; any decision to purchase paid-for AI tools will be taken under existing financial procedure rules.

The approach will be regularly reviewed and updated, requiring minimal additional resourcing

from relevant officers – who would be keeping up-to-date with the field in any event.

There is the potential for AI to produce Return on Investment – though this is not the subject of this report or document – while the productivity gains AI can bring can help to free up resource to be used more effectively.

X	**The Section 151 Officer confirms they have been made aware of the above and any additional comments from them are below:**

There are no further comments over and above those set out elsewhere in the report.

USE OF RESOURCES AND VALUE FOR MONEY

The following are submitted in respect of the indicated use of resources and value for money indicators:

A) Financial sustainability: how the body plans and manages its resources to ensure it can continue to deliver its services;	This approach is 'budget-blind', setting out how AI (including free AI tools) can be used. Any future investment in AI technology would need to be separately costed and budgeted. Ongoing consideration of the potential inclusion of AI in future software licence purchases will be considered as part of individual business cases.
B) Governance: how the body ensures that it makes informed decisions and properly manages its risks, including; and	The approach clearly sets outs the risks and legal limitations on using AI for decision-making, particularly automated decision-making. Adopting a formal best practice approach, and raising awareness of it internally, reduces the risk of accidental or ignorant use of AI in decision-making; and sets out ethical and legal considerations for any deliberate use of AI in this manner.
C) Improving economy, efficiency and effectiveness: how the body uses information about its costs and performance to improve the way it manages and delivers its services.	One of the quick-wins from AI is to improve efficiency and effectiveness of routine administrative tasks, allowing more efficient use of officer time to support delivery of services for residents.

MILESTONES AND DELIVERY

As AI is an evolving field, and best practice will inevitably change, the approach will be regularly reviewed and where necessary updated as officers undertake training and development.

Following adoption, to ensure staff are aware of this document – and to therefore read and consider its contents before diving into AI use – internal communications will be carried out to TDC staff and Members through briefings to be arranged for early 2025.

ASSOCIATED RISKS AND MITIGATION

There are risks to using AI, if it is not done correctly and an adequate human check applied;

these are set out within the Approach document, with associated mitigation set out – including areas where AI should not be used.

Not adopting a framework or best practice approach to using AI risks inappropriate use of such tools by staff, and it is seen as a much greater risk to not adopt such an approach.

Not using AI tools is in itself a risk as Tendring District Council would miss out on potential benefits (set out elsewhere in this report), and possibly fall behind the curve in terms of adoption of the latest technology.

Due to the fast-paced development of AI technology there is a risk that his document falls behind; however, regular reviews and the section contained within it on how to keep up-to-date, mitigates this risk.

EQUALITY IMPLICATIONS

There are no specific equality implications from adopting this Best Practice Approach, which pulls together existing best practice, regulation and policy.

The guidance does set out the benefits AI can bring in support of producing accessible digital communications.

It also highlights the risk of bias contained within AI models, which could impact upon equality, and sets out how to mitigate this risk (both through better use of AI itself, and the importance of a human check).

No Equality Impact Assessment has been carried out for this document; an assessment should be carried out before each general use of AI (where appropriate).

SOCIAL VALUE CONSIDERATIONS

As this document is for internal implementation it does not directly contribute to wider social value considerations for the district.

However, by setting out best practice it does act as an example to local businesses and organisations on how they may benefit from the use of AI, in turn promoting social innovation, business growth, and potentially the development of an AI-skilled local workforce.

IMPLICATIONS FOR THE COUNCIL'S AIM TO BE NET ZERO BY 2050

No direct implications. The approach does set out environmental considerations for use of AI (namely that servers which power AI can be very energy-heavy), but this does not have a direct implication for TDC.

OTHER RELEVANT CONSIDERATIONS OR IMPLICATIONS

Consideration has been given to the implications of the proposed decision in respect of the following and any significant issues are set out below.

Crime and Disorder	Not applicable
Health Inequalities	Not applicable
Subsidy Control (the requirements of the Subsidy Control Act 2022 and the	Not applicable

related Statutory Guidance)	
Area or Ward affected	District-wide

PART 3 – SUPPORTING INFORMATION

BACKGROUND
Artificial Intelligence (AI) is one of the fastest growing fields of technological innovation, which has seen an explosion of readily-available tools in the past few years. It is becoming increasingly prevalent, and already has the ability to improve the efficiency and quality of work across the authority; though it is perhaps some way off maturity in terms of realising high expectations for medium or long-term automation. It is important that AI is used correctly, as its use has a number of implications across a number of existing policy and regulatory areas – particularly around data governance. Incorrect or inappropriate use therefore carries risk for the council. In order to balance the risk versus reward of AI, it is therefore useful to compile a document setting out the areas of opportunity and important legal and ethical considerations, to ensure safe and effective use. This need was captured within the council's Communications Strategy 2024-28 (adopted by Cabinet in March); the strategy action plan includes a target to "Support the development of an ethical framework for the use of AI by the end of 2024", and this forms a sub-action as part of the Highlight Priority Actions for 2024/25. The proposed AI ethical approach document is based upon a piece of work developed by the Essex Communications Group, following a day-long AI workshop, and itself building upon work from the Mid and South Essex Integrated Care Board. It has then been augmented using learning from a number of different officers, gained from various sources such as events, articles, sector guides and the like. This includes the Government Communication Service which has both a policy and a framework for AI use by the civil service. The guide covers a number of areas, including: - Benefits of AI - Ethical and Safe Use considerations (including information governance, ethics, misinformation and other legal and regulatory pitfalls to avoid) - When not to use AI - Best practice use including an introduction to effective prompt writing - Possible generic uses of AI - Glossary of terms The approach is specifically not a policy – as a number of existing policies cover the areas outlined. Nor does it define specific uses or non-uses for AI at the council, in recognition that this is both broad and each use requires its own careful consideration. The Best Practice Approach provides a practical guide for the Council on the effective and ethical use of artificial intelligence.

PREVIOUS RELEVANT DECISIONS
Cabinet, 12 March 2024 (item 102): RESOLVED that the draft Communications Strategy 2024-2028 be approved and adopted with immediate effect.

BACKGROUND PAPERS AND PUBLISHED REFERENCE MATERIAL
[The Government Communication Service Generative AI Policy](https://gcs.civilservice.gov.uk/publications/gcs-generative-ai-policy/) (https://gcs.civilservice.gov.uk/publications/gcs-generative-ai-policy/)

APPENDICES
Appendix A: Draft Artificial Intelligence Best Practice Approach for Tendring District Council

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