MUNICIPALITY OF THAMES CENTRE

REPORT NO.	**LS-006-25**

TO:	Mayor and Members of Council
FROM:	Director of Legislative Services/Clerk
MEETING DATE:	April 29, 2024
SUBJECT:	**Artificial Intelligence (AI) Policy**

RECOMMENDATION:

THAT Report No. LS-006-25 **BE RECEIVED** for information.

PURPOSE:

The purpose of this report is to make Council aware of a new administrative policy on Artificial Intelligence (AI) that will be coming into effect and be added to the Corporate Policy Manual. Although the Delegation of Authority Policy permits the CAO to approve all Corporate Policies, in order to ensure transparency this has being brought forward for Council's awareness.

BACKGROUND:

On November 24, 2024, the County of Middlesex adopted an Artificial Intelligence (AI) policy and, in its role as our IT provider, is encouraging lower-tier municipalities to implement similar policies before introducing AI technologies. The attached draft of the Thames Centre AI Policy closely resembles the Middlesex County Policy.

Artificial intelligence is transforming both public and private sectors by offering powerful tools for enhancing operational efficiency, informed decision-making, and service delivery. By leveraging AI, the Municipality can significantly improve its services. However, along with these benefits come critical considerations related to privacy, accountability, and transparency. The AI policy directly addresses these concerns and ensures compliance with the Municipal Freedom of Information and Protection of Privacy Act (MFIPPA) and other relevant legislation.

This policy establishes a responsible, transparent, and forward-thinking framework for AI utilization. It emphasizes key areas such as privacy protection, data security, equity, and human oversight, ensuring that AI systems effectively serve community needs while safeguarding individual rights.

The Middlesex County AI Policy was developed based on best practices in government AI governance, utilizing guidance from the GovAI Coalition and other leading frameworks, including Canada's Directive on Automated Decision-Making. This approach ensures that the policy adheres to global standards for transparency, accountability, and ethical AI usage in public services. By mandating Algorithmic Impact Assessments (AIAs), promoting equity and bias mitigation, and implementing public-facing transparency measures, the policy aligns with contemporary trends in responsible AI adoption, reinforcing the rationale for mirroring the County's Policy.

Furthermore, the AI policy not only provides operational guidelines but also outlines a structured approach to maximize AI's potential for streamlining services, reducing costs, and enhancing access.

COMMENTS:

The policy encourages staff to explore AI applications that enhance efficiency and service delivery. By establishing clear boundaries and a supportive framework, it empowers staff to creatively leverage AI while working within an ethical and secure structure.

Transparency is a cornerstone of this policy. Thames Centre is committed to openly disclosing AI usage in accessible language, ensuring the public understands AI's role in decision-making and service provision. To promote transparency, the policy includes measures for public disclosure on the municipality's website.

Protecting residents' privacy is of utmost importance, and this policy is designed to rigorously uphold that protection. It mandates strict privacy protocols and data governance practices in alignment with the *Municipal Freedom of Information and Protection of Privacy Act* (MFIPPA) and the *Personal Information Protection and Electronic Documents Act* (PIPEDA), ensuring that AI systems operate securely.

The County of Middlesex has already conducted Algorithmic Impact Assessments (AIAs) for tools like ChatGPT, Microsoft Copilot, and Acrobat Pro, effectively managing data privacy and security risks. This proactive approach eliminates the need for us to perform these assessments before implementing these tools on corporate computers.

The AI policy emphasizes that AI serves as a tool to support, not replace, human judgment. It mandates human oversight for all significant AI decisions that impact residents. Additionally, the policy includes provisions for ongoing monitoring and adaptation of AI systems, ensuring they evolve in response to emerging legal standards, technological advancements, and public expectations.

Recognizing that AI systems can amplify biases if not carefully managed, this policy outlines an equity framework to mitigate such risks. By emphasizing fairness and requiring bias assessments, it ensures that AI applications do not perpetuate inequalities, particularly in decisions affecting marginalized communities. This commitment to equity reflects the municipality's dedication to providing fair and unbiased services to all residents.

FINANCIAL IMPLICATIONS:

There will be a cost associated with any Artificial Intelligence (AI) systems that the Municipality chooses to utilize and purchase through IT Services.

STRATEGIC PLAN LINK

Pillar: *Community Communications & Engagement*

Goal: *Increase communication between the municipality (Council and Staff) and the public*

CONSULTATION:

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D. Barrick, CAO

ATTACHMENTS:

Draft Thames Centre Artificial Intelligence (AI) Policy

Prepared by: J. Nethercott, Director of Legislative Services/Clerk.

Reviewed by: D. Barrick, Chief Administrative Officer