

Item 12.14

Notices of Motion

Artificial Intelligence in Council Operations and Strategy

By Councillor Maxwell

It is resolved that:

(A) Council note:

- (i) the recent presentation at the Local Government NSW Conference on the opportunities, limitations and governance risks associated with the growing use of artificial intelligence (AI), including generative AI, in local government;
- (ii) that councils across Australia and internationally are deploying specific AI applications to improve service delivery, including in:
 - customer service chatbots and request triage;
 - asset inspections using computer vision;
 - traffic and parking management;
 - planning and development assessment workflows;
 - community consultation and large-scale submission analysis;
 - infrastructure maintenance prioritisation; and
 - disaster preparedness and response;
- (iii) that the City of Sydney:
 - has operated a public-facing customer chatbot since 2020;
 - provides staff access to Microsoft Copilot as its approved enterprise AI platform;
 - has adopted a Generative AI Procedure to guide safe and appropriate staff use;
 - provides regular staff training on safe AI use; and
 - has an internal governance process for staff proposing AI-driven projects;
- (iv) that unions including the Australian Services Union have identified AI as a major workplace transition, with members reporting:
 - increasing use of AI tools in daily work;

- uneven access to structured training and support; and
 - the importance of clear guardrails around privacy, bias and job quality;
- (v) that AI offers significant opportunities to improve productivity and service delivery, but also presents material risks relating to privacy, bias, automated decision-making, records management, workforce impacts and public trust if not governed appropriately;
- (B) Council further note that:
- (i) AI should be used to support and augment staff, not remove human accountability for decisions affecting residents, workers or businesses;
 - (ii) automated or semi-automated systems must retain clear human oversight, particularly where rights, safety, access to services or regulatory outcomes are affected;
 - (iii) the City's use of AI should align with its commitments to equity, accessibility, transparency, privacy and public trust;
 - (iv) where AI delivers productivity gains, those gains should primarily be directed toward improving public services and job quality, not solely headcount reduction;
 - (v) AI should, wherever practicable, be used to reduce low-value, repetitive tasks and enhance the quality of work, rather than displacing workers; and
 - (vi) meaningful staff and union consultation should be a core principle where AI may affect work design, workloads or job content; and
- (C) the Chief Executive Officer be requested, as part of the forthcoming review of the Information and Technology Strategy within the Resourcing Strategy, to consider and report to Council on whether the City should develop a dedicated Artificial Intelligence Strategy or AI governance framework to maximise opportunities and mitigate risks, and in doing so, have regard to:
- (i) the principles in (B) above;
 - (ii) the City's existing Generative AI Procedure and governance arrangements;
 - (iii) emerging best-practice approaches across local government and the public sector;
 - (iv) the City's existing and potential future use of applied AI in areas such as customer service, asset management, infrastructure, planning, consultation and emergency response; and
 - (v) workforce, training, change-management, privacy, bias and transparency considerations.