

**OFFICIAL**



**Highland Council**  
**Artificial Intelligence (AI) Policy**

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# 1. Document Control

## 1.1 Version History

Version	Date	Author	Change
V1 DRAFT	13/11/2025	Lynsey Ross	Highland Council Artificial Intelligence (AI) Policy
V1 Final	20/03/2026	Lynsey Ross/Jon Shepherd	Approved by Corporate Resources Committee 19/03/2026 – made final

## 1.2 Document Approval

Name	Title	Role
	Corporate Resources Committee	

## 2. Introduction

The Artificial Intelligence (AI) Policy underpins Highland Council's commitment to the lawful, responsible, ethical, and transparent use of AI across all services. It forms part of the Council's wider governance framework, applying to all individuals and organisations. It applies to any use of AI regardless of format, origin or whether it is integrated into Council systems. This will ensure that innovation is balanced with public trust, privacy and compliance with UK and Scottish standards and aligned with the Council's values and legal obligations.

## 3. Purpose and Scope

This policy sets out Highland Council's approach to the responsible use of AI across all services. It ensures AI is used ethically, transparently, and in compliance with UK and Scottish public sector standards. The policy supports innovation while safeguarding public trust, privacy, and fairness and provides clear principles and governance for how AI should be adopted, managed, and monitored by staff, members, contractors, and partners.

This policy applies to all AI systems used or procured by Highland Council, including internal tools, public-facing services, and partnerships involving AI. It applies to **any individual who uses, develops, manages, or interacts with Artificial Intelligence (AI) systems or tools on behalf of Highland Council**. This includes:

- Council Officers
- Elected Members
- Partners and affiliates (e.g. High Life Highland)
- Contractors and agency staff
- Third parties working on behalf of the Council

The policy covers all AI-related activities, systems and outputs, regardless of:

- Format: Whether the AI processes text, images, audio, video, or other data types.
- Origin: Whether the AI tool or dataset was created internally or provided by an external vendor.
- Integration: Whether AI is embedded within Council systems or accessed via third-party platforms.

Any use of AI that interacts with Council Information Assets or influences Council decisions, services, or operations falls under this policy. This includes AI systems that process, analyse or generate information derived from Council records, data or other assets.

## 4. Definitions

- **AI Register:** A structured record of all AI systems used by the Council.
- **Artificial Intelligence (AI):** Systems that perform tasks typically requiring human intelligence, such as prediction, summarisation, or conversation.
- **Automated Decision-Making:** Automated decision-making is the process of making a decision by automated means without any human involvement
- **Data Protection Impact Assessment (DPIA):** A legal requirement for high-risk data processing.
- **Ethical Impact Assessment:** Review of societal and ethical risks of AI use.
- **Generative AI:** AI that creates new content (e.g. text, images, summaries).
- **Special Category Data (UK GDPR):** Personal data that reveals or relates to racial/ethnic origin, political opinions, religious/philosophical beliefs, trade union membership, genetics, biometrics, health, sex life or sexual orientation.

## 5. We will follow our Guiding Principles

The Council adopts the following principles for all AI use:

- **Accountability:** Clear ownership and oversight for every AI system.
- **Transparency:** Citizens, members and staff must be informed when AI is used.
- **Fairness and Inclusion:** AI must not discriminate or disadvantage protected groups.
- **Human Oversight:** AI must support—not replace—human decision-making.
- **Privacy and Data Protection:** Personal data must be handled lawfully and securely.
- **Security and Robustness:** AI systems must be tested and resilient.
- **Public Benefit:** AI must serve legitimate public purposes and improve services.

- Sustainability & Net Zero: Any adoption and use of AI must support and not undermine the Council's net zero commitments.

## 6. Governance and Oversight

### 6.1 Information Governance Board

The Information Governance Board (IGB) will oversee all AI initiatives. The cross-functional IGB will oversee all AI initiatives, ensuring they align with Council objectives, comply with legal and ethical standards, and follow strong information governance principles. Membership includes senior management representatives from each Service Directorate and is chaired by Senior Information Risk Owner (SIRO) for the Council.

By applying its core responsibilities of strategic oversight, compliance, risk management and performance monitoring, the IGB will provide transparent and accountable governance for AI adoption as follows:

#### 6.1.1 Strategic Oversight

Ensure the AI Policy aligns with Council objectives and ethical standards.

Set priorities for responsible AI adoption and usage across services.

#### 6.1.2 Compliance and Assurance

Monitor adherence to the AI Policy, including data protection and ethical use requirements.

Confirm compliance with relevant legislation (e.g., UK GDPR, Equality Act) and internal standards.

#### 6.1.3 Risk Management

Identify risks associated with AI deployment (e.g., bias, data security, transparency).

Recommend mitigation strategies and escalation processes for high-risk AI projects.

#### 6.1.4 Policy and Standards

Approve and periodically review the AI Policy and associated guidance.

Establish standards for AI procurement, implementation, and monitoring.

#### 6.1.5 Performance Monitoring

Oversee implementation of AI initiatives and ensure they meet policy objectives.

Review reports on AI usage, ethical assessments, and compliance audits.

Oversee reports on compliance with compulsory training relating to information management and AI.

Oversee reports on user experience and the monitoring of benefits of AI.

#### *6.1.6 Membership and Reporting*

SIRO chairs discussions on AI governance within the IGB.

Information Management Leads ensure AI projects in their services comply with policy.

Report AI governance outcomes to senior leadership and relevant committees.

#### *6.1.7 Meeting Structure*

Include AI governance as a standing agenda item in quarterly IGB meetings.

Maintain records of AI-related decisions and actions for transparency and accountability.

## 7.0 Responsibilities

### 7.1. Information Governance Board (IGB)

- Provide strategic oversight for all AI initiatives.
- Regular review and approval of this policy and related documents, including referral to Corporate Resources Committee as appropriate.
- Monitor compliance and ethical use of AI across services.
- Assess and mitigate risks associated with AI deployment.

### 7.2. Business Solutions Service

- Process and assess requests for new uses of AI.
- Escalate such requests to IGB where they are determined to be high risk, potentially not aligned with the policy or introducing a significant change in the type of technology or use case.
- Provide input to the procurement process for new AI tools, including being part of the procurement approval process.
- Maintain an AI Register.
- Provide advice and guidance on the use of AI.
- Work with Services to identify opportunities for the use of AI.

### 7.3. Information Asset Owners

- Accountable for information assets used by AI systems.
- Ensure there is clear ownership and oversight for data processed, analysed, or generated by AI tools.
- Ensure AI use involving their information assets complies with information governance requirements.
- Confirm that appropriate risk assessments are completed for AI use involving their information assets.
- Ensure AI-related risks linked to their information assets are identified and recorded.
- Assure data quality, accuracy, and appropriateness of information assets used by AI systems, recognising that poor-quality data increases the risk of bias, error, or unfair outcomes.
- Support transparency requirements by ensuring that the use of AI involving their information assets can be clearly explained to officers, members, and the public where appropriate.
- Work with service managers, project leads, and ICT to ensure AI systems using their information assets are subject to proportionate piloting, validation, and ongoing review before and after deployment
- Confirm that access controls and security arrangements are appropriate for AI tools handling their information assets, ensuring data is processed lawfully, securely, and only for approved purposes

### 7.4. Service Managers

- Ensure AI projects within their service comply with the AI Policy.
- Nominate responsible officers for AI governance and reporting.
- Maintain transparency and accountability for AI use in their areas.

### 7.5. Project Leads

- Conduct AI ethical assessment and risk assessments before implementation.
- Ensure AI systems are tested for fairness, accuracy, and security.
- Maintain documentation for AI models, data sources, and decision logic.

## 7.6. All Users (Officers, Members, Partners, Contractors)

- Use AI tools responsibly and in line with Council policy and guidance.
- Report any issues, risks or misuse of AI systems promptly.
- Where applicable, complete mandatory training on ethical and compliant AI use.

## 7.7. Senior Information Risk Owner (SIRO)

- Act as the ultimate accountable officer for AI governance.
- Escalate significant risks or compliance breaches to senior leadership.

## 8.0 Risk Management

Highland Council treats information as a vital corporate asset and manages it throughout its lifecycle to ensure confidentiality, integrity and availability. The potential risks that could result from the use of AI include:

- Data protection breaches.
- Cybersecurity vulnerabilities.
- Bias, discrimination and inequitable decision making.
- Loss of public trust and reputational damage.
- Lack of human oversight and accountability.
- Uncontrolled procurement and use of unapproved tools.
- Failure to meet legal and ethical obligations.

To ensure appropriate management of risks, the following steps should be taken.

- All AI-related risks must be formally recorded in the Council's Corporate Risk Register, alongside generic security risks to maintain robust governance and accountability. This ensures that emerging technologies are assessed consistently with existing information security standards, safeguarding data accuracy, accessibility and compliance across all services.
- All AI projects must complete a DPIA (Appendix A) before deployment.
- An Ethical Impact Assessment (Appendix B) is required for systems affecting individuals.

- Bias testing of any AI tools must be conducted, especially if used for decision support or automated systems.
- Human oversight and override must be available for all AI decisions.
- AI systems must be piloted (proportionate) and validated before full deployment.
- All users of ICT must complete mandatory Information Management training which directly supports the AI Policy by ensuring that data used in AI systems is accurate, secure, and compliant with UK GDPR. Training equips staff to handle information responsibly and understand governance. This reduces risks, bias or misuse in AI outputs. Information Governance underpins ethical, lawful and trustworthy AI use across the Council.
- All users must follow the guidance issued regarding the responsible use of approved AI tools at The Highland Council. This guidance will be regularly updated as the technology and its use develops.

## 9. Transparency and Public Trust

An AI Register detailing approved AI tools for Council business will be maintained and available upon request. This is the responsibility of the Chief Officer for Business Solutions.

Highland Council is committed to ensuring transparency when artificial intelligence (AI) technologies are used. Only those tools listed on the AI Register may be used, and stakeholders will be informed as appropriate. Where AI plays a role in supporting processes, relevant individuals, groups or organisations will be informed of the use of AI. The level and method of communication will depend on the context, the nature of the technology and the impact on stakeholders.

A feedback and complaints process is available via the Information Governance team. This provides a clear process for providing feedback or raising complaints about the use of AI. This ensures that concerns are addressed promptly and transparently.

## 10. Automated Decision Making

Under Article 22 of the UK GDPR, individuals have the right not to be subject to a decision based solely on automated processing, including profiling, where that decision produces legal effects or similarly significant effects on them.

Such decisions are generally prohibited unless one of three specific conditions applies:

- The decision is necessary for entering into or performing a contract
- Authorised by UK law, or
- Based on the individual's explicit consent.

Even where an exception applies, appropriate safeguards must put in place, including the right for the individual to obtain meaningful human intervention, express their point of view, and challenge the decision. Decisions cannot normally be based on special category personal data unless additional legal conditions and safeguards are met.

Transparency and fairness are essential whenever automated decision-making is used and meaningful human intervention is required to ensure this.

## 11. Approved Tools and Usage Rules

Only approved AI tools may be used for Council business. These are as per the register. Requests to use new AI tools should be submitted to Business Solutions through the standard process for requesting a new operational requirement and they will be assessed.

## 12. Training & Staff Awareness

All staff must complete mandatory Information Management training which directly supports the AI Policy by ensuring that data used in AI systems is accurate, secure, and compliant with UK GDPR. Training equips staff to handle information responsibly and understand governance. This reduces risks, bias or misuse in AI outputs.

Information Governance underpins ethical, lawful and trustworthy AI use across the Council.

Specific training may be required for certain uses of AI, particularly for AI tools used as a core aspect of service delivery. The requirements around such training must be defined before introducing such tools.

Guidance documents and FAQs will be provided via standard online communication channels. (Appendix C).

## 13. Procurement and Vendor Standards

As with any procurement of ICT tools or products, the Council's Contract Standing Orders must be followed when procuring AI tools. Any procurement of ICT must be approved by the Chief Officer Business Solutions. In addition, for AI tools, the following points must be followed:

- AI procurement must consider ethical requirements.
- Vendors must provide transparency on algorithms, data handling and the steps where human intervention is required.
- Contracts must include provisions for explainability, bias mitigation and security.
- Noting that AI technologies can use significant amounts of energy, there must be consideration given to low carbon, energy- efficient solutions that support the Council's Net Zero commitments.

## 14. Monitoring and Review

This policy will be reviewed on a regular basis and adapted appropriately to ensure that it continues to meet the business and service delivery requirements of the Highland Council. Lessons learned from the implementation of AI projects will inform updates of the policy, training materials and guidance.

The Council will also engage with national bodies (e.g. Scottish AI Alliance, Local Government groups) to stay aligned with evolving standards.

Routine checks will be made to ascertain the number of staff accessing guidance and training, with reports provided to the Information Governance Board.

Any substantial amendments will be referred back to the Corporate Resources Committee for approval.