	Policy, Finance and Development Committee	**Tuesday, 24 March 2026**	**Matter for Information and Decision**

Report Title: Artificial Intelligence Policy (2026)

Report Author(s): Trish Hatton (Head of Policy, Performance & Transformation)

Purpose of Report:	To share the Council's new Artificial Intelligence (AI) Policy with Members for approval.
Report Summary:	This report introduces Oadby and Wigston Borough Council's new Artificial Intelligence (AI) Policy, created to ensure the responsible, ethical, and effective use of AI across the organisation. As Generative AI (GenAI) becomes increasingly prevalent in both the public and private sectors, it is essential that the Council adopts a clear and consistent approach that safeguards data, supports staff, and enhances service delivery. The policy sets out how AI can be used to improve efficiency, strengthen decision-making, and support innovation, while ensuring that these tools do not replace human judgment.
Recommendation(s):	**A. That the content of this report be noted; and** **B. That the Committee formally approve the Artificial Intelligence Policy (2026) at Appendix 1.**
Senior Leadership, Head of Service, Manager, Officer and Other Contact(s):	Trish Hatton (Head of Policy, Performance & Transformation) (0116) 257 2700 trish.hatton@oadby-wigston.gov.uk Ravinder Gill (IT Operations & Security Manager) (0116) 257 2669 ravinder.gill@oadby-wigston.gov.uk
Strategic Objectives:	Our Council (SO1) Our Communities (SO2) Our Economy (SO3) Our Environment (SO4) Our Partners (SO5)
Vision and Values:	Customer & Community Focused (V1) Proud of Everything We Do (V2) Collaborative & Creative (V3) Resourceful & Resilient (V4)
Report Implications:-	
Legal:	There are no implications arising from this report.
Financial:	There are no implications directly arising from this report.
Corporate Risk Management:	No corporate risk(s) identified

Equalities and Equalities Assessment (EA):	There are no implications directly arising from this report. Full EA Assessment (See Appendices)
Human Rights:	There are no implications arising from this report.
Health and Safety:	There are no implications arising from this report.
Statutory Officers' Comments:-	
Head of Paid Service:	Unable to complete review.
Chief Finance Officer:	The report is satisfactory.
Monitoring Officer:	The report is satisfactory.
Consultees:	None.
Background Papers:	None.
Appendices:	**1.** Artificial Intelligence Policy (2026) **2.** AI Policy Equality Impact Assessment

1. Introduction

1.1 As technology continues to advance, the adoption of Artificial Intelligence (AI) is accelerating across all sectors. At Oadby and Wigston Borough Council, we recognise the potential of Generative AI (GenAI) to deliver time-saving efficiencies and enhance our services. By leveraging this technology responsibly, we aim to strengthen our ability to achieve the Council's strategic objectives—providing high-quality, value-for-money services that meet the needs of residents, businesses, and visitors, while building a more resilient future.

1.2 This report introduces the Council's new Artificial Intelligence (AI) Policy. It highlights the growing importance of AI in public service delivery and sets out our approach to using AI responsibly and ethically.

1.3 The policy applies to all Council employees, elected members, agency workers, contractors, consultants, and any third parties using or accessing Oadby and Wigston Borough Council IT systems.

2. Importance of having an AI Policy

2.1 The policy provides a clear framework for the ethical adoption, deployment, and management of approved AI systems and tools across the Council. It ensures alignment with our organisational values, legal obligations, and strategic goals.

2.2 A robust AI policy promotes good governance and responsible use. By clearly defining what users can and cannot do, it helps manage risks, safeguard data, and maintain compliance with relevant legislation.

2.3 Furthermore, a well-defined approach to AI supports the Council's commitment to innovation and strategic planning, ultimately improving service delivery for our residents and community, while upholding strong governance standards.

3.   Principles of Use

3.1   GenAI is increasingly used across industries, including the public sector. While it offers significant benefits, such as improved efficiency and cost savings, it also presents risks and challenges that must be carefully managed.

3.2   At Oadby & Wigston Borough Council, GenAI will not be used to replace decision-making activities. It will be used as a tool to support work, not to replace human judgment.

3.3   GenAI should enhance professional expertise, not substitute it. Users must still apply their own judgment and ensure outputs are accurate, appropriate, and aligned with Council standards.

4.   Associated Risks

4.1   AI can present a range of potential risks these include:

- Data privacy concerns
- Bias and discrimination
- Accuracy and misinformation
- Legal and copyright issues
- Environmental impact
- Cybersecurity vulnerabilities
- Confidentiality breaches

4.2   To mitigate these risks, the Council will only permit the use of Microsoft Copilot for AI-related tasks. This approach aligns with best practices adopted by other local authorities, as Microsoft Copilot offers enhanced security and compliance features.

4.3   Enterprise-grade security ensures that:

- Microsoft Copilot follows our Microsoft 365 permissions which means Copilot can only access data it has permissions to view.
- Data used in Copilot will stay inside our tenant and Microsoft secure boundaries.
- Copilot complies with Microsoft security standards, including data protection, audit logging, retention, and sensitivity labels.
- Copilot does not store or use customer data for public model training unlike other AI Tools.

5.   Monitoring

5.1   The policy will be reviewed annually and updated as necessary to ensure compliance with legislation, regulations, and organisational policies.

5.2   If a user wishes to use a GenAI tool other than Microsoft Copilot for work purposes, they must seek approval from the IT Operations & Security Manager or the Head of IT. If approved, usage will be monitored to ensure compliance with data protection and information security requirements.

6.   Ethical Use

6.1   GenAI must be used ethically and in compliance with all applicable legislation, regulations and organisational policies.

6.2   It must not be used to generate and publish content that is discriminatory, offensive, or inappropriate. All AI-generated content must be carefully checked before use.

6.3   An Equality Impact Assessment has been completed (see **Appendix 2**).