

# POLICY– Use of Artificial Intelligence (AI)

ENDORSED NOVEMBER 2024

About this document	
Purpose	This Policy sets out the principles the Office follows for the ethical, safe and responsible use of Artificial Intelligence (AI) by staff.
User/s	All staff of the Office of the Commonwealth Ombudsman (the Office).
Publication/release to other sites	This Policy will be released to the VOLT platform, which is internal to the Office, and published to the Ombudsman website.
Outcome	Use of AI in the Office is ethical, safe and responsible.
Version number	1.0
Consultation	Chief Operating Officer Chief Information Officer
Approved/endorsed by	Iain Anderson, Commonwealth Ombudsman
Date approved/endorsed	November 2024
Next review date	March 2025
Contact team	ICT & Security Team, Corporate Branch

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# References and documents

Users of this policy will require an understanding of the following documents:

- [Policy for the responsible use of AI in government](#), September 2024
- [Interim guidance on government use of public generative AI tools – November 2023](#)
- ICT Acceptable Use Policy
- ICT Security Policy
- [APS Code of Conduct](#)
- [Privacy Policy](#)

If staff have questions about the Office's use of AI or this Policy, please contact Information and Communication Team (ICT).

## Purpose

The Use of Artificial Intelligence Policy (the policy) specifies how the Office of the Commonwealth Ombudsman (the Office) may use Artificial Intelligence (AI) technology and systems. The policy sets out the general principles the Office follows to ensure any use of AI technology in its work is ethical, safe and responsible.

The Policy will be reviewed regularly to ensure it remains fit for purpose, contemporaneous and consistent with Australian government policy and guidance frameworks for the safe and responsible use of AI.

## Scope

This Policy applies to all Office staff, regardless of location or connection, including ongoing, non-ongoing and casual employees. It also applies to contractors, consultants and visitors who have access to the Office's ICT equipment, systems and services.

## What is AI?

The Policy for responsible use of AI in government states that 'while there are various definitions of what constitutes AI, for the purposes of this policy agencies should apply the definition provided by the Organisation for Economic Co-operation and Development (OECD):

*'An AI system is a machine-based system that, for explicit or implicit objectives, infers, from the input it receives, how to generate outputs such as predictions, content, recommendations, or decisions that can influence physical or virtual environments. Different AI systems vary in their levels of autonomy and adaptiveness after development.'*

# Generative AI

Generative AI is technology which *generates* content such as text, images, audio and code in response to user prompts. An example of generative AI is ChatGPT.

## Key Principles

The Office's use of AI is governed by the overarching principles outlined in the table below, which are based on the Digital Transformation Agency's [Interim guidance on government use of public generative AI tools – November 2023](#).

Principle	Description
Accountability	<p>Generative AI must not be used to make discretionary decisions. All staff are responsible for making and explaining the reasons for their decisions, in accordance with the Office's legislative and policy frameworks and guidance materials.</p> <p>Staff must undertake AI in Government Fundamentals training in LearnHub.</p>
Transparency	<p>The Office will publish a transparency statement on its website in accordance with the Policy for responsible use of AI in government.</p> <p>All approved use of AI must clearly documented, including the reasons for use, how AI is used, benefits and risks and proposed actions to mitigate identified risks.</p>
Privacy protection and security	<p>All approved use of AI will be consistent with the Office's legal obligations, including those arising under the <a href="#">Privacy Act 1988</a>, and the <a href="#">Protective Security Policy Framework</a>.</p> <p>When considering using AI technology or systems the Office will complete a privacy threshold or impact assessment. This assessment must be undertaken in consultation with the Office's Legal Team.</p>
Fairness and human-centred values	<p>The Office will promote the importance of administrative law principles when using AI technology.</p> <p>The Office will monitor the data used and outputs generated at all stages of the AI life cycle to ensure that any use of AI is fair and not biased against any groups or communities.</p>

Human, societal and environmental wellbeing	AI technology must only be used to support beneficial outcomes for individuals, society and the environment, and in a manner consistent with the <a href="#">APS Values</a> , <a href="#">Employment Principles</a> and <a href="#">Code of Conduct</a> , for purposes that are consistent with improving the wellbeing of the Australian community.
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## Prohibited use of AI

### Public generative AI technology

The Digital Transformation Agency's (DTA) Interim Guidance on government use of public generative AI (the interim guidance) explains that public or open access generative AI tools are widely available third-party AI platforms, tools or software (whether accessed through a browser or through an application). These tools such as ChatGPT and MidJourney, have not been security risk assessed by the Office and approved for use with classified or sensitive data. This also includes the enterprise version on Microsoft Copilot (previously referred to as Bing Chat Enterprise).

**The use of publicly available generative AI technology is prohibited on the Office's networks and devices and in Office work.**

Staff must not input **any** information (including written, visual or audio information) of or held by the Office into publicly available AI technology, whether using the Office's or their own personal devices, as this could disclose confidential, classified, personal, protected or otherwise sensitive information.

The Office's filtering systems block access to most public generative AI tools. However, staff should use caution and common sense when accessing websites. All staff who identify AI publicly available generative AI tools that have not been blocked by the Office's systems are responsible for notifying ICT immediately via the ICT Helpdesk.

### Use of AI when exercising discretion in decision making

The Office does not use AI to make discretionary decisions when exercising the powers under the *Ombudsman Act 1976*.

## Governance for using AI

The Office will implement governance arrangements for using AI consistent with Australian Government policy and guidance frameworks.



# Transparency Statement

The Office's use of AI will be described in a transparency statement on the Ombudsman website by end February 2025 as required by the [Policy for the responsible use of AI in government](#).

## Roles and Responsibilities

The table below sets out various roles and responsibilities with respect to AI.

Role	Responsibilities
All staff	Must comply with this Policy and complete the DTA's training module: AI in government Fundamentals in LearnHub.
Information Technology Governance Committee (ITGC)	Provides strategic oversight of the development and implementation of information and technology policy, processes and systems across the Office. ITGC makes decisions on ICT and information management systems and infrastructure and approves major ICT releases.
Executive Committee	Considers the strategic and operational priorities of the Office, corporate governance, performance, resource allocation, and issues external and internal to the operations of the Office.
Ombudsman	Executive Committee Chair
Deputy Ombudsman	Information Technology Governance Committee Chair
Chief Operating Officer (COO) and Chief Information Officer (CIO)	The COO and CIO are the Office's designated Accountable Officials (AOs) under the Policy for responsible use of AI in government. They are responsible for: <ul style="list-style-type: none"> <li>implementing this policy</li> <li>notifying the DTA of any high-risk use of AI.</li> <li>keeping up to date with changing government requirements as they evolve over time.</li> </ul>

## Approved use of AI

While AI must not be used when exercising discretion in decision making, the Office may use AI technology to *assist* operational processes. For example: to support the effective triage, allocation and prioritisation of complaints.

The Office will maintain a register of all approved uses of AI technology within the Office.

Any proposed use of AI including generative AI that is not publicly available, must be supported and approved by the Information and Technology Governance Committee (ITGC) and Ombudsman.

Consistent with the DTA's Pilot Commonwealth AI Assurance Framework, all proposed uses of AI must be supported by an assessment of:

- **Reasons** – is there a business need for the use of the AI technology? Is it better suited to the task at hand than non-AI alternatives?
- **Intended use** – including the type of AI technology and intended outputs.
- **Potential benefits** – what are the proposed or expected ways in which the AI technology improve our services and contribute to the strategic priorities of the Office?
- **Potential risks** – including an assessment of the severity of the risk. More information is included on risk assessments below.
- **Risk mitigation strategies** – more information is included on risk assessments below.
- **Evaluation** – including risk/benefits analysis.

When assessing the use of AI staff should consider [Australia's AI Ethics Principles](#) and [Artificial Intelligence Guidelines](#).

All uses of AI must be accompanied by a privacy threshold or impact assessment, which must be undertaken in consultation with the legal team, in addition to other assessments required for a new system to be provided with Authority to Operate.

## Risk assessment

Each assessment for the use of AI must make an assessment of potential risk to data, privacy or assurance, and proposed actions to mitigate identified risks, as outlined below. The Office uses the DTA's [Risk assessment for the use of AI](#).

Consideration should be given to whether there is a risk that use of the proposed AI technology would:

- negatively affect public accessibility to the Office
- unfairly discriminate against individuals or communities
- perpetuate stereotypes or demeaning representations of individuals or communities

- cause harm to individuals, communities, businesses or the environment
- result in privacy concerns due to the sensitivity of the data being manipulated, parsed or transformed by the system
- result in security concerns due to the sensitivity or classification of the data being manipulated, parsed or transformed by the system
- result in security concerns due to the implementation, sourcing or characteristics of the system
- influence decision-making that affects individuals, communities, businesses or the environment
- pose a reputational risk or undermines public confidence in government.

Where a risk is identified, the Office will consider how severe that risk is likely to be and propose actions to mitigate those risks. Severity of risk should be determined using the risk matrix at

**Appendix A.**

## Approval and Documentation

All uses of AI must be approved by the ITGC and the Ombudsman. Any approvals of AI technology will be recorded by the CIO to inform the Office's reporting requirements under the DTA's whole-of-government policy.

The Accountable Officials will report 'high risk' use of AI to the DTA in accordance with the Policy for the responsible use of AI in government.

## Evaluation

Each use of AI must include a plan for evaluating the AI generated output, to assess whether it has been successful in achieving its intended purpose and identify any unintended impacts, including an estimated date for the evaluation.

Other events that may trigger review include:

- where a specific milestone has been reached in the use of AI technology
- where a significant change has occurred to the scope, function or operational context of the AI technology.

## Complaints about the Office's use of AI

From time to time, the Office receives feedback from the public where they are not satisfied with the service they received. This may include complaints about the Office's use of AI technology.



Where members of the public make complaints about the Office's use of AI technology, staff should follow the Office's usual processes to record feedback about our services, as outlined in our *Policy – Feedback About our Service*.

# Appendix

[Risk assessment for use of AI | digital.gov.au](#)

## Risk assessment for use of AI

### Risk matrix

		Consequence				
		Insignificant	Minor	Moderate	Major	Severe
Likelihood	Almost certain	Medium	Medium	High	High	High
	Likely	Medium	Medium	Medium	High	High
	Possible	Low	Medium	Medium	High	High
	Unlikely	Low	Low	Medium	Medium	High
	Rare	Low	Low	Low	Medium	Medium

**Figure 1:** Risk matrix for use of AI