Agenda Item 9

MIDDLESBROUGH COUNCIL	Middlesbrough moving forward

Report of:	Charlotte Benjamin - Director of Legal and Governance Services

Relevant Executive Member:	Chris Cooke - Mayor

Submitted to:	Single Member Executive – The Mayor

Date:	18 December 2025

Title:	Artificial Intelligence (AI) Policy 2025 – 2028

Report for:	Decision

Status:	Public

Council Plan priority:	Delivering Best Value

Key decision:	No
Why:	Decision does not reach the threshold to be a key decision

Subject to call in?	Yes
Why:	Non-Urgent Report

Proposed decision(s)
That the Mayor: • **APPROVES** the adoption of the Artificial Intelligence (AI) Policy 2025 – 28 • **APPROVES** that the Head of ICT and Digital has authority to make changes to the policy, following consultation with the Council's Senior Information Risk Owner (SIRO), to ensure the policy keeps pace with emerging AI technology, legislation, case law and guidance from government.

Executive summary
This report introduces Middlesbrough Council's Artificial Intelligence (AI) Policy, developed to ensure the lawful, ethical, and responsible use of AI technologies across the organisation. The policy recognises the growing role of AI in supporting public service delivery and outlines a clear framework to guide its use in a way that enhances productivity while safeguarding data, upholding transparency, and maintaining human accountability. The policy sets out that AI must never replace human judgement. All decisions remain the responsibility of Council officers or elected Members, and AI may only be used to support, not replace, human decision-making. The policy also mandates training for all

staff using AI tools and sets clear expectations for suppliers providing AI-enabled systems.

The vision underpinning the policy is that AI will be used to support the Council's strategic priorities in a way that is ethical, secure, and transparent, giving assurance to residents, staff, and partners.

The policy is structured around the following key principles:
- Human accountability and oversight
- Safe and ethical use of AI tools
- Secure access and device control
- Clear boundaries for permitted and prohibited use
- Supplier compliance and transparency

This policy forms part of the Council's wider Information Governance and Digital Strategy framework. It will be reviewed at least annually by the Head of ICT and Digital, in conjunction with the Information Governance and Technology Design Authority Board, to ensure it remains current and responsive to emerging technologies and risks.

1. Purpose of this report and its contribution to the achievement of the Council Plan ambitions.

1.1 The purpose of this report is to set out a proposed Artificial Intelligence (AI) Policy for Middlesbrough Council. As AI technologies become increasingly embedded in public service delivery, it is essential that the Council adopts a clear and robust framework to guide their use.

1.2 This report outlines the rationale for adopting an AI Policy that ensures AI is used lawfully, ethically, and responsibly, in a way that supports the Council's strategic priorities and maintains public trust. The policy sets out the principles, expectations, and governance arrangements for the use of AI across the organisation.

1.3 The AI Policy contributes to the Council Plan ambitions by enabling the safe and effective use of AI to improve productivity, enhance service delivery, and support innovation, while ensuring that human accountability, data protection, and ethical standards remain central to all AI-related activity.

1.4 A Member decision is required, as the adoption of an Artificial Intelligence (AI) Policy falls within the Executive Member for LGS, Mayor Chris Cooke remit to approve policies that govern the Council's use and management of digital technology.

Our ambitions	Summary of how this report will support delivery of these ambitions and the underpinning aims
A successful and ambitious town	The AI Policy will support the Council to achieve it ambitions in these areas by promoting ethical and secure use of data and technology to improve services and protect residents. By embedding human decision making and clear
A healthy Place	
Safe and resilient communities	

	governance, it supports innovation while ensuring compliance.
Delivering best value	The AI Policy will support digital transformation by enabling the Council to adopt AI tools that improve service efficiency, responsiveness, and innovation, ensuring services are better tailored to the needs of residents and businesses.

2. Recommendations

2.1 That the Mayor:

- **APPROVES** the adoption of the Artificial Intelligence (AI) Policy 2025 – 28
- **APPROVES** that the Head of ICT and Digital has authority to make changes to the policy, following consultation with the Council's Senior Information Risk Owner (SIRO), to ensure the policy keeps pace with emerging AI technology, legislation, case law and guidance from government.

3. Rationale for the recommended decision(s)

3.1 Having a clear policy in place to guide the use of AI is essential for a modern, complex organisation. AI technologies present significant opportunities to improve productivity, streamline operations, and enhance service delivery. However, without appropriate governance, they also introduce risks related to data protection, ethics, and accountability. A decision from the Mayor is sought as the agenda item is within their portfolio.

3.2 This policy ensures that AI is used in a way that aligns with the Council's strategic priorities, supports innovation, and maintains compliance with legal and ethical standards. By embedding human decision making and clear governance, the policy provides a basis that enables the Council to adopt AI confidently and responsibly.

4. Background and relevant information

4.1 The AI Policy is aligned with the Council's existing Information Governance framework and wider digital ambitions.

4.2 The policy provides a framework to ensure that AI technologies are used lawfully, ethically, and effectively to support service delivery, innovation, and operational efficiency, while maintaining human oversight and accountability.

4.3 The AI Policy supports the Council's digital ambitions by enabling the safe and appropriate use of AI tools to enhance how services are delivered. It ensures that emerging technologies are adopted in a way that is secure and aligned with the Council's values and priorities.

4.4 An effective AI Policy will deliver the following benefits:
- Enable safe and responsible use of AI
- Ensure compliance with data protection, equality, and ethical standards
- Maintain human accountability in all decision-making processes

4.5 The AI Policy sets out:
- Responsible and appropriate use of AI across Council services
- How AI will be used appropriately within the Council
- Guidance on appropriate and ethical use of AI in Council operations
- Ensuring AI is used appropriately

4.6 The policy also outlines the Council's approach to due diligence when considering new AI tools. Where AI functionality is proposed, either as standalone solutions or embedded within third-party systems, ICT will work closely with the relevant service leads to assess the value, risks, and implications before implementation. This includes evaluating the purpose, data requirements, ethical considerations, and governance needs of the proposed AI functionality.

4.7 Following adoption, the policy will be overseen by the Head of ICT and Digital. The policy will be reviewed at least annually to reflect emerging technologies, risks, and best practice, with major changes referred to Members for approval.

5. Ward Member Engagement if relevant and appropriate

5.1 Not applicable to this report.

6. Other potential alternative(s) and why these have not been recommended

6.1 The Council could choose to operate without a formal AI Policy. However, in the context of increasing use of AI technologies across the public sector, the absence of a clear policy would present significant risks. These include inconsistent use of AI tools, potential non-compliance with data protection and ethical standards, and a lack of transparency or accountability in decision-making.

6.2 Setting out a clear and consistent approach to the use of AI provides a shared understanding across the organisation and with partners. It ensures that AI is used in a way that supports the Council's digital ambitions and helps deliver high-quality, ethical, and efficient services to residents and businesses in Middlesbrough.

7. Impact(s) of the recommended decision(s)

Topic	Impact
Financial (including procurement and Social Value)	The implementation of the AI Policy may have financial implications over time, particularly as new AI tools are assessed, procured, or integrated into existing systems. Any associated costs will be considered on a case-by-case basis and only progressed if the costs can be met through pre-existing budgets or the appropriate approval has been obtained, after which they will be further progressed through the Council's standard decision-making and procurement processes to ensure value for money and alignment with social value principles.

Legal Data Protection	This policy will ensure compliance with all applicable UK legislation and statutory guidance in relation to use of AI including: UK General Data Protection Regulation 2016 Data Protection Act 2018 Data (Use and Access) Act 2025 Equality Act 2010 Human Rights Act 1998 Freedom of Information Act (FOIA) 2000 Environmental Information Regulations 2004 Contract, Copyright, and Intellectual Property Law Statutory and recommended guidance
Risk	Implementation of the policy will contribute positively to the management of Strategic Risk Register item SRR 13: - (SRR 13) If the Council's Corporate Governance arrangements are not fit for purpose and appropriate action is not taken to rectify this at pace, this could result, censure from the Council's auditors within a public interest report that would damage the Council's reputation and/or in government formal intervention including removal of powers from officers and members and direction of council spend. The policy strengthens governance and accountability around the use of AI, reducing the risk of reputational damage or regulatory intervention.
Human Rights, Public Sector Equality Duty and Community Cohesion	The policy supports the Council's ability to demonstrate compliance with its duties in these areas by requiring ethical use of AI, transparency in decision-making. The policy will positively impact on human rights and will ensure compliance with the requirements of the Public Sector Equality Duty by requiring the completion of Equality Impact Assessments (EIAs) before an AI product is used that will process personal data. This will ensure that the Council does not introduce systems or processes that could impact unfairly on people or groups because they hold one or more protected characteristics.
Reducing Poverty Climate Change / Environmental Children and Young People Cared for by the Authority and Care Leavers	The policy enables better use of data and AI tools to support targeted service delivery and informed decision-making.

8. Actions to be taken to implement the recommended decision(s)

Action	Responsible Officer	Deadline
Publication of the Strategy	Head of ICT and Digital	30 January 2026
Establish internal guidance and resources for staff on AI use	Head of ICT and Digital and Head of Information Governance	30 January 2026
Develop and roll out AI awareness and training sessions	Head of ICT and Digital	30 January 2026

9. Appendices

1	Artificial Intelligence Policy 2025 - 2028

10. Background papers

Not applicable.

Contact: Lynsey Zipfell, Head of ICT and Digital

Email: Lynsey_Zipfell@middlesbrough.gov.uk