



Cloch Housing Association

Artificial Intelligence

Policy Name	Artificial Intelligence (AI)
Policy Category	Corporate & Governance
Policy Number	135
Approved by	n/a - operational
Responsibility of	IT & Corporate Services Department
Date Adopted	5 February 2026
Last Review	n/a
This Review	5 February 2026
Next Review	February 2027
Equalities Impact Assessment Required	No
Link to other policies	ICT Acceptable Use
Consultation	Internal - staff
Need for Procedure	No

1. Purpose

This policy outlines the acceptable use of Generative Artificial Intelligence (GenAI) technologies within Cloch Housing Association. It aims to ensure responsible, ethical, and secure use of GenAI tools to support operational efficiency, innovation, sustainability, and service delivery.

2. Scope

This policy applies to all the following people who use GenAI tools in the course of their work when using Association ICT systems and data:

- Employees
- Temporary staff
- Board members

The policy will also apply to the Associations partner businesses and stakeholders when interacting with Association ICT systems and data:

- Contractors
- Consultants

3. Cloch Housing Association GenAI Position Statement

The below details the Generative Artificial Intelligence position statement for Cloch Housing Association. This statement defines our responsible, ethical, transparent, and strategic principles, that guide our organisational adoption, governance, and use of GenAI within the organisation.

Cloch Housing Association prioritises system & data security and compliance, alongside valuing human oversight. GenAI tools to assist communications, data analysis, and process automation, subject to ongoing review and human oversight, will be introduced following strict governance and approval processes. Innovation is currently limited to proven applications, ensuring tenant safety and regulatory adherence remain at the forefront of all AI initiatives. Our approach allows responsible experimentation, where appropriate, while maintaining compliance, transparency, and ethical standards across all activities.

4. Approved Tools

Only GenAI tools approved by the Association's Leadership Team with guidance from the Digital and Corporate Department and Data Protection Officer may be used.

The policy governs GenAI usage across all Association systems, including in-office and any remote or hybrid arrangements.

Only enterprise-grade GenAI products that have been formally procured and paid for are approved for official business use. This policy ensures that all AI tools used within the organisation meet the necessary standards for data security, privacy compliance, reliability, and vendor accountability. Free or consumer-grade AI services often lack robust safeguards, may not offer enterprise-level support, and can pose risks related to data leakage, intellectual property exposure, and regulatory non-compliance. By restricting usage to vetted, paid-for solutions, the organisation protects its data, staff and maintains the Association's operational integrity.

As part of our managed cloud hosted tenant, **Microsoft Copilot is the preferred generative AI tool for operational use**. Its integration within our existing licensing framework ensures secure, compliant, and supported access to GenAI capabilities, aligning with our commitment to responsible and efficient technology adoption and managed under current IT security protocols. **Copilot Chat**, and other AI services held within the Association's cloud hosted tenant, operate under enterprise governance controls, including identity management and data retention policies.

The Association also use an enterprise level version of Fireflies.ai meeting assistant to record, transcribe and summarise Microsoft Teams meetings. This is the only meeting assistant authorised to be used within the IT network. All outputs must be sense-checked by human experts to ensure accuracy

Cloch Housing Association will consider additional AI software solutions developed by third-party vendors to enhance operational services where security and compliance can be ensured via contractual arrangements. These should be listed within an approved AI platform register.

There are multiple publicly available GenAI tools that are commercial, web-based AI platforms accessible over the internet that operate on shared infrastructure not controlled by the Cloch Housing Association.

Examples include:

- ChatGPT (OpenAI)
- Microsoft Copilot (personal)
- Google Gemini
- Anthropic Claude
- Grok

These tools, alongside others not listed, reside outside of Association government security baselines and present higher risks related to data handling, privacy, and reliability.

The above platforms all provide enterprise level, subscription-based solutions. Should an operational requirement arise where one of these AI tools is preferred, a robust business case must be provided to the Leadership Team for consideration and approval.

5. Acceptable Use

Approved GenAI tools may be used for:

- Drafting simple/repetitive/acknowledgement communications, summarising documents, creating simple draft reports based on Cloch Housing Association documents and polices.
- Data analysis and visualisation.
- Enhancing customer service (e.g., approved, vetted, and established in sector chatbots).
- Automating repetitive tasks.
- Supporting data driven decision-making with insights.

6. Prohibited Use

GenAI tools must **not** be used for:

- Generating or sharing personal data (sensitive or otherwise).
- Making autonomous decisions that affect tenants or staff without human oversight.
- Generating communications to tenants that are impersonal and vague.
- Creating biased, discriminatory, or offensive content.
- Generating content that could be misleading or misrepresentative of Cloch Housing Association.
- Circumventing legal, regulatory, or contractual obligations.

- Any activity that violates data protection laws (e.g., GDPR).
- Any activity that violates applicable laws or regulations, including but not limited to the creation or distribution of illegal content, impersonation, fraud, or infringement of intellectual property and privacy rights.

7. Data Privacy and Security

- Users must not input personally identifiable information, financial data, or confidential tenant information into public GenAI tools. For the avoidance of doubt only those GenAI tools approved and recommended by the Association should be used. The input of personally identifiable information, financial data, or confidential tenant information into public GenAI tools will be considered a reportable breach in accordance with GDPR and a breach of the Generative AI acceptable usage policy.
- All data processed by GenAI must comply with Cloch Housing Association's Data Protection Policy and GDPR requirements.
- Only GenAI technologies approved and recommended can be used for work purposes and must comply with all applicable laws and regulations.

8. Transparency

- Users should clearly indicate when content has been wholly generated by AI to maintain transparency.

9. Accountability and Oversight

GenAI content should never be accepted at face value. All outputs must be sense-checked by human experts to ensure accuracy, relevance, and appropriateness.

- Users are responsible for verifying the accuracy and appropriateness of GenAI-generated content.
- Individual staff are responsible for checking the generated content produced by GenAI. All outputs must be reviewed by staff before use in critical decisions or external communications.

- Managers must ensure staff are trained in GenAI usage and understand the risks and limitations.
- To uphold quality and compliance standards, periodic audits of generative AI content will be conducted by Digital and Corporate staff. These reviews help identify risks, ensure responsible use, and maintain trust in AI-assisted processes.

10. Intellectual Property

- GenAI-generated content may be subject to copyright or licensing restrictions. Users must ensure proper attribution and usage rights are acknowledged on any AI generated content used by the Association. Examples of this could include AI generated images.
- Cloch Housing Association retains ownership of GenAI-generated content created for business purposes.

11. Identification of Generative AI Use Cases

All proposed uses of GenAI should follow a structured procedure for evaluating and approving software applications in accordance with Cloch Housing Associations position statement. This process safeguards data, promotes ethical innovation, and maintains transparency, accountability, and strategic consistency across all GenAI activities.

The below provides a high-level outline of the use case review process:

- All new GenAI use cases must be formally proposed before implementation.
- Staff to submit a written proposal detailing the intended use, benefits, data requirements, and potential risks.
- Proposals will be reviewed by Leadership Team, with guidance from Digital and Corporate staff and relevant operational teams. This may also be evaluated by the Associations Data Protection Officer.
- The Leadership Team assesses each proposal for alignment with organisational values, legal and regulatory requirements, data protection standards, and risk appetite.

- The review process includes technical due diligence, ethical impact assessment, and stakeholder consultation.
- Only use cases meeting standards for security, transparency, and accountability are approved for deployment.
- The Leadership Team will document its decision and provides feedback to the proposer, ensuring a clear audit trail and ongoing oversight of GenAI activities.

For all proposed GenAI applications a Data Protection Impact Assessment (DPIA) must be completed in accordance with Association GDPR regulations.

Glossary Of Terms:

Accountability:

The obligation of individuals and teams to ensure GenAI tools are used responsibly and in compliance with policy and regulations.

Approved Tools:

GenAI platforms and applications that have been vetted and authorised by the IT and Compliance departments for use within the organisation.

Audit Trail:

A chronological record of actions and decisions related to GenAI use cases, ensuring transparency and accountability.

Bias:

Systematic errors or unfairness in AI outputs that may result in discriminatory or prejudiced outcomes, especially in tenant communications or HR decisions.

Data Protection Policy:

The organisation's framework for ensuring the privacy, security, and lawful processing of personal and sensitive data, in compliance with GDPR and other relevant regulations.

Ethical Innovation:

The practice of developing and deploying GenAI technologies in a manner that prioritises fairness, transparency, and respect for stakeholder rights.

GDPR (General Data Protection Regulation):

A European Union regulation governing the processing of personal data, ensuring privacy, security, and rights of individuals.

DPIA (Data Protection Impact Assessment):

A process designed to help organisations identify and minimise the data protection risks of a project or activity. It is a key part of UK GDPR regulations.

Generative Artificial Intelligence (GenAI):

AI systems capable of producing text, images, or other content based on input prompts. GenAI tools can automate tasks, generate communications, and provide insights to support operational efficiency and innovation.

Governance:

The framework of rules, practices, and processes by which GenAI use is directed and controlled within the organisation.

Hallucination:

When an AI system generates content that is factually incorrect, misleading, or not based on real data.

Human Oversight:

The requirement that all critical decisions or external communications generated by GenAI must be reviewed and approved by a human before implementation.

Tenant GenAI Tools:

AI-enabled services integrated within the organisation's enterprise systems and managed under its IT security protocols. These tools operate within the secure cloud tenant, governed by identity management and data retention policies (e.g., Microsoft 365 Copilot, Copilot Chat).

Intellectual Property (IP):

Legal rights that protect creations of the mind, such as inventions, literary and artistic works, and symbols, names, and images used in commerce.

Personally Identifiable Information:

Any data that can be used to identify an individual, such as names, addresses, contact details, financial information, or tenant records. PII must not be entered into public GenAI tools.

Publicly Available GenAI Tools:

Commercial, web-based AI platforms accessible over the internet that operate on shared infrastructure not controlled by the organisation. These present higher risks related to data handling, privacy, and reliability (e.g., ChatGPT, Google Gemini, Anthropic Claude, Grok).

Scope:

Defines the boundaries of the policy, including who it applies to, what activities are covered, and which GenAI tools are included.

Stakeholder:

Any individual or group affected by or involved in the use of GenAI within the organisation, including tenants, staff, and board members.

Use Case:

A specific scenario or application in which GenAI technology is proposed or used to solve a business problem or improve a process.