2025

# AI Research

The rise of Generative AI in local government

# More than half of Local Council employees have used GenAI for work

## Over the last 12 months, GenAI usage has grown by 76%. Further growth is expected in 2026.

**58%** ▲ +25
have used GenAI for work purposes

**39%** ▲ +21
use GenAI at least weekly

**63%** ▼ -7
of users expect to increase their usage in the next 12 months

**30%** ▲ +21
of non-users expect to start using in the next 12 months

By end of Aug 2026, **70%** of Local Council employees **expect to be using Gen AI for work**
▲ +31

**76%** ▼ -5
using ChatGPT

**50%** ▲ +10
using Microsoft 365 Copilot

**20%** ▲ +7
using Gemini (Google)

**42%** ▲ +24
are using a paid version of a GenAI tool

Research was conducted in September 2024 and 2025 by Fiftyfive5, an independent market research agency, and consisted of a 10-minute online survey with over 200 Local Council employees who have used Generative AI tools for work purposes.

▲▼ *indicates significant growth/decline vs 2024*

# GenAI usage is becoming habitual, driving creativity and efficiency, and increasingly replacing traditional search

**72%**

believe GenAI tools have helped them be more creative and innovative at work

**76%** ▲ +11

believe GenAI tools have improved their efficiency at work

**51%**

often use GenAI tools instead of traditional search engines (such as Google) for work

**39%** ▲ +17

believe they would be negatively impacted if they lost the ability to use GenAI tools for work
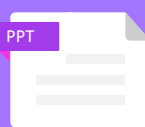
## How is GenAI being used at work?

**63%** ▲ +12

using weekly for text generation

**16%**

using weekly for generation of slides or presentations

**16%**

using weekly for image generation
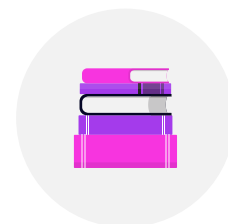
## Most common uses of GenAI for text…

**58%** ▲ +13

for creation of new text

**75%** ▲ +17

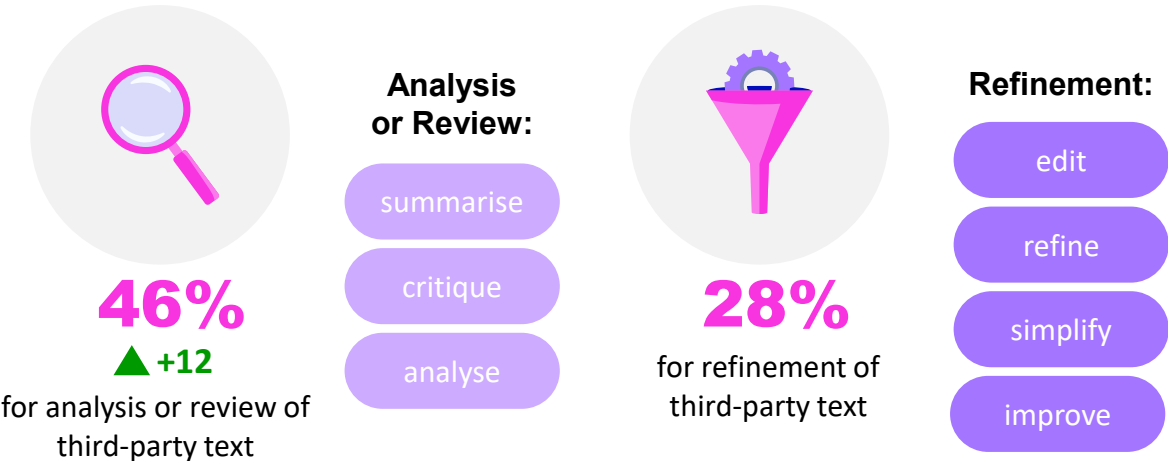for refinement of internal text (written by self or colleagues)

**49%**

for research/ background intel

▲▼ *indicates significant growth/decline vs 2024*

# How is third-party material being used in AI prompts?

**Among those who have used AI for text-generation…**

## 46% ▲ +12
for analysis or review of third-party text

**Analysis or Review:**
- summarise
- critique
- analyse

## 28%
for refinement of third-party text

**Refinement:**
- edit
- refine
- simplify
- improve

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## 45%
use third-party materials (i.e. published text & images) in AI prompts **weekly** and 21% do so **daily** ▲ +5

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On a weekly basis, employees engage in multiple methods of third-party material inclusion

**Input Methods**

- **33%** Copy and paste
- **28%** Include a link to a webpage
- **26%** Upload a file / document
- **26%** Include a reference (e.g. book title)

**Input Materials**

- Image or photo — 29%
- News/Magazine article — 24%
- Report or business paper — 24% ▲ +6
- Journal article — 18%
- Book or eBook (whole book or pages/extracts) — 12%

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"I wanted to summarise a research paper to make it more understandable and quicker to digest, so I simply asked AI to summarise the content and to give a high-level overview before I actually dive in."

**Operations Manager**

"Mainly my use is for organising the content - rather than producing the content. I have used GenAI to summarise media articles."

**Legal, Governance & Compliance Manager**

"I used a destination website plus market research to generate a travel article for use on blog and EDM."

**Marketing & Communications Manager**

▲▼ *indicates significant growth/decline vs 2024*

# As the use of Generative AI grows, so do the associated risks and governance concerns relating to copyright

| Use of third-party materials in AI prompts | Sharing of AI outputs | 'Shadow' usage of AI tools | Lack of understanding |
|---|---|---|---|

## Widespread use of third-party material

**54%** ▲ +11

have used GenAI for analysis, refinement or summarisation of third-party text at work

**45%**

copy-paste, upload, link, or reference third-party materials in AI prompts weekly

## SHARING OF OUTPUTS

**70%**

are sharing outputs internally with colleagues

**30%**

are sharing outputs with people outside their local council

## 'SHADOW' USAGE

**17%**

use GenAI for work, even though their council doesn't encourage it

## LACK OF COPYRIGHT UNDERSTANDING

Only **30%** ▲ +7

say they understand the copyright terms and conditions of the AI tools they use

▲▼ *indicates significant growth/decline vs 2024*

# GenAI has heightened employees' awareness and concern around copyright and expectations on councils to promote responsible use and ethical behaviour

**76%**

think about complying with copyright laws when using AI for work purposes

**24%**

do not think about it at all
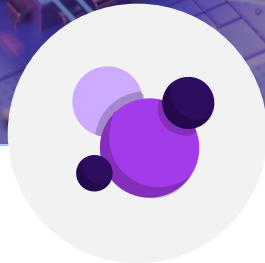
**41%**

▲ +10

are concerned about including third-party material in prompts

**22%**

are not sure if they should be

**67%**

would have greater peace of mind if their organisation had a copyright licence that allowed use of third-party content in AI tools for work

**Staff do not feel adequately trained**

**Only**

**36%** ▲ +14

think their employer provides sufficient training opportunities about how to use GenAI for work

▲▼ *indicates significant growth/decline vs 2024*

# Does your local council have a GenAI policy? Does it cover ethical use and address the potential risks of copyright infringement?

**49%**
believe management at their local council **encourages** the use of GenAI tools
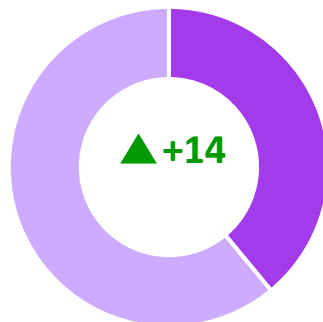
▲ +11
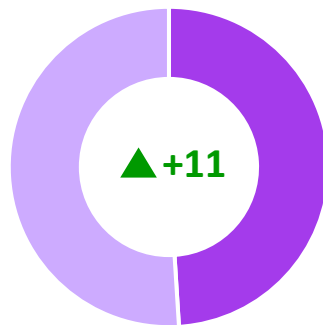
**Local councils encourage the use of GenAI but many still don't have a policy in place**

...but only **39%** <u>think</u> their local council has a **policy** about use of Generative AI at work

▲ +14

## Who is responsible for policy development?
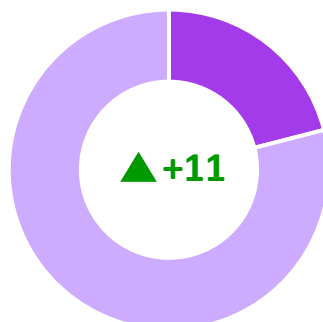
**27%**
Senior management

**24%**
Legal team

...and only **21%** think their local council has an AI policy which covers **copyright**

▲ +11

## Who is responsible for policy implementation?

**27%**
CEO

**26%**
Senior Management

**19%**
Operations team

▲▼ *indicates significant growth/decline vs 2024*

# What you need to know

## 01

Penetration has increased by 76% over the last year. The latest research reveals that 58% of employees use GenAI tools with 45% using third-party material in inputs or prompts at least weekly.

## 02

Most users (70%) don't understand the terms of use of these tools and licensing requirements around use of third-party material. This raises ethical concerns and increases the risk of copyright infringement.

## 03

Compliance and risk are key concerns cited by 85% of GenAI users. Only 39% believe their local council has clear policies around governance, use and risk management.

## 04

Copyright protects published text and images used by staff in local councils such as news and magazine articles, journal articles, industry reports and trade publications, including when used in GenAI tools.

**Find out more**
This research was conducted by Fiftyfive5 on behalf of Copyright Agency. For more information contact licence.enquiries@copyright.com.au, or visit copyright.com.au

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