

Lumen & Lever

AI USAGE CONTROL BASELINE · CONFIDENTIAL

LEADERSHIP BRIEFING

AI Usage Control Baseline. *Meridian Holdings.*

PREPARED FOR

The Board, Meridian Holdings

ENGAGEMENT SPONSOR

Group CFO

ENGAGEMENT LEAD

Lumen & Lever

ENGAGEMENT PERIOD

Two weeks · concluded

DOCUMENT VERSION

Final · for Board distribution

CLASSIFICATION

Confidential · Board only

What we found.

Meridian Holdings is at a point most diversified family groups reach roughly twelve months into informal AI use. The pattern is consistent and the implications are now actionable.

THE HEADLINE FINDING

AI is already operating across all six business units at Meridian, predominantly through personal accounts, mostly on sensitive material. The binding constraint is not *whether* to adopt AI. It is *governance over what is already happening*.

Across 218 staff surveyed, 74% report regular AI use for work tasks. Of those, 61% access AI tools through personal accounts, predominantly ChatGPT and the AI features built into consumer phone and laptop operating systems. 43% have entered information that meets the group's existing definition of confidential, including lease documents, tenant correspondence, employee performance notes, and supplier negotiations.

None of this use is currently logged, sanctioned, or governed. Staff have not been issued guidance. No AI policy exists. No central register of tools is maintained. The exposure is not from an absence of staff capability. It is from an absence of structure around the capability they have already built informally.

A single workflow in the Property division, lease abstraction at renewal, has emerged as the strongest first candidate for a controlled implementation. Roughly 80 leases per year, three weeks of senior paralegal time per cycle, a corpus of accessible documents. The economics are real and the exposure is bounded.

74%

of Meridian staff use AI tools at work regularly

SOURCE · MERIDIAN STAFF SURVEY · N=218

61%

access AI through personal accounts

SOURCE · MERIDIAN STAFF SURVEY · N=161

43%

have entered confidential information into AI tools

SOURCE · MERIDIAN STAFF SURVEY · N=161

0

formal controls currently in
place

SOURCE · MERIDIAN
GOVERNANCE REVIEW



The pattern at Meridian is not unusual.

Meridian's findings sit within an established industry pattern. The figures from independent research are consistent with what the Baseline surfaced internally, which gives the leadership team confidence that the controls recommended below are appropriate to the scale of exposure.

90%

of organisations report employees regularly using personal AI tools for work, while only 40% have purchased official subscriptions

SOURCE · MIT PROJECT NANDA, STATE OF AI IN BUSINESS 2025

68%

of enterprise employees who use generative AI access it through personal accounts

SOURCE · TELUS DIGITAL, JANUARY 2025

57%

of those have entered sensitive information into AI tools

SOURCE · MENLO SECURITY 2025 / TELUS DIGITAL

\$670K

additional cost when a data breach involves shadow AI, on average

SOURCE · IBM COST OF A DATA BREACH REPORT 2025

"If employees don't feel safe admitting how they use AI, you fail to manage the risks you can't see and you fail to capture the value you don't know exists. The most effective policies start with psychological safety and transparency, not punishment."

KHULLANI ABDULLAHI · MANAGERS AT WORK, 2025

What is actually in use, and where.

The register names the AI tools observed in use across Meridian's six operating units. Tools listed have been confirmed through the staff survey, the targeted intake conversations with senior leaders, or both. The register is current as at the close of the engagement and is intended to be maintained by the group's nominated AI governance owner going forward.

TOOL

ChatGPT (OpenAI)

PRIMARY USE

Drafting, summarising, research

ACCOUNT TYPE

Personal · 87%

UNITS

All 6

FREQUENCY

Daily

TOOL

Microsoft Copilot

PRIMARY USE

Email, document drafting

ACCOUNT TYPE

Work · partial rollout

UNITS

Property · Finance

FREQUENCY

Weekly

TOOL

Otter.ai · Fireflies

PRIMARY USE

Meeting transcription

ACCOUNT TYPE

Mixed · 60% personal

UNITS

All 6

FREQUENCY

Daily

TOOL

Claude (Anthropic)

PRIMARY USE

Long document analysis

ACCOUNT TYPE

Personal · 100%

UNITS

Property · Hospitality

FREQUENCY

Weekly

TOOL

Gemini (Google)

PRIMARY USE

Search-augmented research

ACCOUNT TYPE

Personal · 100%

UNITS

Marketing · Construction

FREQUENCY

Weekly

TOOL

Canva AI features

PRIMARY USE

Marketing imagery, social

ACCOUNT TYPE

Work · sanctioned

UNITS

Marketing

FREQUENCY

Daily

TOOL

Grammarly

PRIMARY USE

Proofreading, tone

ACCOUNT TYPE

Mixed

UNITS

Property · Hospitality · HR

FREQUENCY

Daily

TOOL

Built-in OS AI features

PRIMARY USE

Photo, transcription, summary

ACCOUNT TYPE

Personal devices

UNITS

All 6

FREQUENCY

Daily

TOOL

Perplexity

PRIMARY USE

Research with citations

ACCOUNT TYPE

Personal · 100%

UNITS

Property · Construction

FREQUENCY

Weekly

TOOL

DALL-E · Midjourney

PRIMARY USE

Marketing image generation

ACCOUNT TYPE

Personal

UNITS

Marketing

FREQUENCY

Monthly

WHERE AI IS BEING USED · SHARE OF STAFF PER BUSINESS UNIT REPORTING REGULAR USE



Proceed. Conditions. Stop.

Each pattern of observed AI use has been classified against the group's existing risk appetite. The classification model is intended to be operational rather than aspirational. Staff can be told what they may do, what requires sign-off, and what must stop.

PATTERN

General drafting on public information

RISK

Low. No data exposure.

CLASSIFICATION

PROCEED

VOLUME

Daily, all units

ACTION

Issue staff guidance

PATTERN

Marketing copy and image generation

RISK

Low. Brand voice drift.

CLASSIFICATION

PROCEED

VOLUME

Daily, Marketing

ACTION

Brand-voice guideline

PATTERN

Internal note summarisation

RISK

Medium. Internal data drift.

CLASSIFICATION

CONDITIONS

VOLUME

Daily, all units

ACTION

Sanctioned tool only

PATTERN

Meeting transcription via personal accounts

RISK

Medium-high. Confidential meeting content stored externally.

CLASSIFICATION

CONDITIONS

VOLUME

Daily, all units

ACTION

Move to enterprise tool

PATTERN

Lease and contract analysis

RISK

High. Commercial obligations.

CLASSIFICATION

CONDITIONS

VOLUME

Weekly, Property

ACTION

Workflow under design

PATTERN

Tenant correspondence drafting

RISK

High. PII exposure to consumer tools.

CLASSIFICATION

STOP

VOLUME

Weekly, Property

ACTION

Halt pending sanctioned alternative

PATTERN

Employee performance note drafting

RISK

High. HR confidentiality, regulatory.

CLASSIFICATION

STOP

VOLUME

Monthly, HR and managers

ACTION

Halt immediately

PATTERN

Childcare incident note drafting

RISK

Severe. Child PII, regulatory.

CLASSIFICATION

STOP

VOLUME

Weekly, Childcare

ACTION

Halt immediately. Audit trail.

PATTERN

Supplier pricing and negotiation

RISK

High. Commercial confidentiality.

CLASSIFICATION

STOP

VOLUME

Monthly, all units

ACTION

Halt pending review

Where AI would land cleanly, ranked.

Five candidate workflows have been identified through the staff survey, the targeted intake, and the analysis of where current shadow AI use clusters. Each has been scored on three dimensions: business value, exposure profile, and feasibility within twelve weeks. The recommended anchor is named. The remaining candidates are held in backlog.

WORKFLOW

Lease abstraction at renewal

RECOMMENDED ANCHOR

VALUE

High

EXPOSURE

Medium

FEASIBILITY

High

CONFIDENCE

 4 of 5

WORKFLOW

Outgoings reconciliation

BACKLOG · PROPERTY

VALUE

High

EXPOSURE

Medium

FEASIBILITY

Medium

CONFIDENCE

 3 of 5

WORKFLOW

Marketing copy production

SANCTIONED, LIGHT GOVERNANCE

VALUE

Medium

EXPOSURE

Low

FEASIBILITY

High

CONFIDENCE

 4 of 5

WORKFLOW

Meeting summary and action capture

GROUP-WIDE, ENTERPRISE TOOL

VALUE

Medium

EXPOSURE

High

FEASIBILITY

High

CONFIDENCE

●●●●● 4 of 5

WORKFLOW

Rent review support

BACKLOG · PENDING PROPERTY DATA LAYER

VALUE

High

EXPOSURE

High

FEASIBILITY

Low

CONFIDENCE

●●●●● 2 of 5

Lease abstraction is named as the recommended anchor not because it is the largest opportunity, but because it is the most defensible first move. The volume is real, the documents are accessible, the cost of error is manageable with appropriate review, and the work that staff are already attempting through personal AI tools can be moved into a sanctioned environment with measurable improvement.

LUMEN & LEVER · ENGAGEMENT NOTE

Six controls to install in the next ninety days.

The following six controls move Meridian from no formal posture to a defensible operating baseline. Each is named with an owner, a measurable outcome, and an implementation horizon. None require new technology purchases. All are within the scope of the existing leadership team.

<p><i>i</i></p> <p>AI Use Register, maintained quarterly</p> <p>The register established during this engagement becomes a living document. Updated quarterly through a five-minute staff pulse and a review by the nominated owner.</p> <hr/> <p>OWNER · GROUP CIO LIVE · 30 DAYS</p>	<p><i>ii</i></p> <p>Staff Use Guidance, single page</p> <p>One-page document distributed to all staff stating what is sanctioned, what requires sign-off, and what must stop. Published on the group intranet. Reviewed annually.</p> <hr/> <p>OWNER · GROUP HR LIVE · 14 DAYS</p>
<p><i>iii</i></p> <p>Sanctioned Tool List</p> <p>A short list of sanctioned AI tools with sanctioned use cases. Personal-account access to sanctioned tools is acceptable for low-risk patterns. Sensitive workflows require enterprise access.</p> <hr/> <p>OWNER · GROUP CIO LIVE · 30 DAYS</p>	<p><i>iv</i></p> <p>Stop List, with audit trail</p> <p>Three categories of use are stopped with immediate effect. Tenant correspondence, employee performance notes, and childcare incident notes are not to enter any AI tool until a sanctioned alternative is in place.</p> <hr/> <p>OWNER · GROUP LEGAL LIVE · 7 DAYS</p>

V

Enterprise meeting transcription

Existing personal-account use of Otter and Fireflies is migrated to the group's Microsoft 365 environment, where transcription inherits the existing data residency and access controls.

OWNER · GROUP CIO

LIVE · 60 DAYS

vi

AI Governance Forum, quarterly

A standing 60-minute quarterly forum chaired by the Group CFO. Reviews the register, surfaces new patterns, ratifies tool list changes, and signs off any new workflow commencing.

OWNER · GROUP
CFO

FIRST SITTING · 60
DAYS

The single page for the Board.

The position below is the Board-grade single-page summary of the Baseline. It is intended for inclusion in the next Board paper without further translation.

Meridian Holdings has an undeclared but material AI footprint, and the right next move is to make it declared.

- **Current state.** AI is in regular use by 74% of staff across all six business units. 61% of that use is through personal accounts. 43% has touched material the group considers confidential. No formal controls are in place.

 - **Risk position.** The exposure is consistent with sector pattern but currently uncontained. Three patterns of use are recommended for immediate halt. Five further patterns require conditions. Two are appropriate to proceed with light governance.

 - **Recommended controls.** Six controls to install over 90 days. None require new technology. All sit within the existing leadership team's scope. Total estimated internal effort: roughly 12 person-days across six owners.

 - **Recommended next investment.** A bounded Implementation Control Brief on lease abstraction at renewal, the strongest workflow candidate identified. Not an AI build. A controlled brief that defines what an internal team or external partner must satisfy before any system is commissioned.

 - **What this engagement does not do.** This Baseline does not select tools, build software, or commit the group to any specific vendor. It establishes the position from which subsequent decisions can be made with evidence.
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What to do next, in order.

Three options for the Board, ranked by structural priority. The recommended path is the first. The remaining two are listed for completeness.

RECOMMENDED

Commission an Implementation Control Brief on lease abstraction at renewal.

The Property division's lease abstraction workflow has emerged as the strongest first candidate. Approximately 80 leases per year. Three weeks of senior paralegal time per cycle. A defined corpus of accessible documents. Staff are already attempting this work informally through ChatGPT, with predictable variability in output quality.

An Implementation Control Brief defines what an internal team, current IT provider, software vendor, or specialist AI implementation partner must satisfy before the workflow is trusted in business use. It does not build the system. It produces the document the implementer can build against and the buyer can hold them to.

ENGAGEMENT

Implementation Control Brief

DURATION

2 weeks

INVESTMENT

AUD 15,000 to 18,000

OUTPUT

Implementer-ready brief, acceptance criteria, evaluation framework, production gates

ALTERNATIVE

Resolve the Property data layer first via a Document Structure Review.

If the Board's preference is to resolve technical readiness before commissioning an implementation brief, a Document Structure Review of the lease corpus would test whether the source material can support reliable AI use. This is the right move only if there is concern about the extraction reliability of the existing lease documents. Based on the engagement findings, this concern is moderate but not pressing.

ENGAGEMENT

Document Structure Review

DURATION

1 week

INVESTMENT

AUD 9,500 to 12,500

OUTPUT

Document-ingestion risk assessment, remediation priorities

IF CIRCUMSTANCES CHANGE

Defer to a Structural AI Architecture Sprint when the engagement scope expands.

If the conversation moves beyond a single workflow into broader AI capital allocation, vendor governance, lifecycle control, and Board-level scale readiness, a four-week Structural AI Architecture Sprint becomes the appropriate engagement. This is not the immediate next step. It is the appropriate step in the medium term if AI becomes a material capital question for the group.

ENGAGEMENT

Structural AI Architecture Sprint

DURATION

4 weeks

INVESTMENT

AUD 40,000 to 55,000

OUTPUT

Board-grade structural briefing, capital gate recommendation

Lumen & Lever

AI USAGE CONTROL BASELINE · SAMPLE REPORT · V1.0

This document is a sample report illustrating the deliverable produced by an AI Usage Control Baseline engagement. The client name, business units, staff figures, and specific findings are illustrative. Industry statistics cited are drawn from named public sources (MIT Project NANDA, TELUS Digital, IBM, Menlo Security, Cyberhaven). The methodology, structure, and analytical approach are accurate to the engagement.