



# CITY PLANNING, DEVELOPMENT AND BUSINESS AFFAIRS COMMITTEE AGENDA & REPORTS

for the meeting

Tuesday, 6 February 2024  
at 7.00 pm

in the Colonel Light Room, Adelaide Town Hall

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Members – The Right Honourable the Lord Mayor, Dr Jane Lomax-Smith  
Councillor Noon (Chair)

Councillor Martin (Deputy Chair)

Councillors Abrahamzadeh, Couros, Davis, Elliott, Giles, Hou, Li, Dr Siebentritt and Snape

**1. Acknowledgement of Country**

At the opening of the City Planning, Development and Business Affairs Committee meeting, the Chair will state:

‘Council acknowledges that we are meeting on traditional Country of the Kurna people of the Adelaide Plains and pays respect to Elders past and present. We recognize and respect their cultural heritage, beliefs and relationship with the land. We acknowledge that they are of continuing importance to the Kurna people living today.

And we also extend that respect to other Aboriginal Language Groups and other First Nations who are present today.’

**2. Apologies and Leave of Absence**

On Leave:

Councillor Martin

**3. Confirmation of Minutes - 7/11/2023 & 5/12/2023**

That the Minutes of the meeting of the City Planning, Development and Business Affairs held on 7 November 2023 and the minutes of the Special meeting held on 5 December 2023, be taken as read and be confirmed as an accurate record of proceedings.

View public 7 November 2023 Minutes [here](#) and 5 December 2023 [here](#).

**4. Declaration of Conflict of Interest**

**5. Deputations**

**6. Workshops**

Nil

**7. Reports for Recommendation to Council**

7.1	Incentives for Sustainability Environmental Outcomes Review and Future Options	4 - 47
7.2	Heritage Incentives Scheme Operating Guidelines	48 - 65
7.3	Adaptive Reuse Funding Mechanism	66 - 69

**8. Reports for Noting**

Nil

- 9. Exclusion of the Public** 70 - 72
- In accordance with sections 90(2), (3) and (7) of the *Local Government Act 1999* (SA) the City Planning, Development and Business Affairs will consider whether to discuss in confidence the reports contained within section 10 of this Agenda.
- 10. Confidential Reports for Recommendation to Council**
- 10.1 Assignment of Lease [s 90(3) ((d))] 73 - 77
- 11. Closure**

## Incentives for Sustainability Environmental Outcomes Review and Future Options

Strategic Alignment - Our Environment

Public

**Tuesday, 6 February 2024**  
**City Planning, Development and Business Affairs Committee**

**Program Contact:**  
Sarah Gilmour, Associate Director Park Lands, Policy & Sustainability

**Approving Officer:**  
Ilia Houridis, Director City Shaping

### EXECUTIVE SUMMARY

The purpose of this report is to respond to a Council decision on 13 June 2023 ([Link 1](#)) that directed Administration to prepare a report reviewing the Sustainability Incentives Scheme (SIS) to assess its effectiveness in reducing community greenhouse gas emissions and identify opportunities for targeted future investment.

The Incentives for Sustainability Program, including the SIS, is one of the key drivers for community climate action as required for the successful implementation of the draft Integrated Climate Strategy endorsed by Council for consultation on 12 December 2023 ([Link 2](#)).

On 30 January 2024, Council decided to include incentives to purchase e-bikes and cargo bikes and to install new, or replace broken or otherwise not-fit-for-purpose bicycle parking racks on private property in the SIS ([Link 3](#)).

Since its introduction in 2015, the Incentives for Sustainability has invested over \$1.6 million dollars into over 750 projects and over the lifespan of all incentives provided since July 2015, there is an estimated cumulative emissions reduction of 33,962 tonnes of carbon dioxide equivalent (tCO<sub>2e</sub>).

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### RECOMMENDATION

The following recommendation will be presented to Council on 13 February 2024 for consideration

THAT THE CITY PLANNING, DEVELOPMENT AND BUSINESS AFFAIRS COMMITTEE RECOMMENDS TO COUNCIL

THAT COUNCIL

1. Notes the calculated environmental outcomes of the Incentives for Sustainability Program, including the Sustainability Incentives Scheme and Circular Economy Incentives, from July 2015 to December 2023 as outlined in this report.
2. Approves amendments to the Incentives for Sustainability Program to restructure the program to enable smaller scale and larger scale incentives in line with the priorities in the draft Integrated Climate Strategy that deliver tangible emissions savings, subject to 2024/25 budget deliberations.
3. Approves the Sustainability Incentive Scheme Operating Guidelines provided as Attachment A to Item 7.1 on the Agenda for the meeting of the City Planning, Development and Business Affairs Committee held on 6 February 2024.
4. Authorises the Acting Chief Executive Officer or delegate to make minor edits to finalise the amended Sustainability Incentives Scheme Operating Guidelines provided as Attachment A to Item 7.1 on the Agenda for the meeting of the City Planning, Development and Business Affairs Committee held on 6 February 2024.

## IMPLICATIONS AND FINANCIALS

City of Adelaide 2024-2028 Strategic Plan	<b>Strategic Alignment – Our Environment</b> Support a 50% reduction in the city’s community greenhouse gas emissions by 2030 from the 2020 baseline with an ambition to be net zero by 2035
Policy	The Incentives for Sustainability Program, including the SIS, is one of the key drivers for community climate action as required for the successful implementation of the draft Integrated Climate Strategy. Council is separately considering an overarching Grants Policy which would provide policy guidance for the SIS.
Consultation	Changes to the Incentives for Sustainability Program will be communicated on the City of Adelaide website.
Resource	Not as a result of this report
Risk / Legal / Legislative	Not as a result of this report
Opportunities	The refinement and expansion of the Incentives for Sustainability Program will assist in the implementation of the draft Integrated Climate Strategy and enhance the City of Adelaide’s capability to meet stated targets in responding to community emissions.
23/24 Budget Allocation	The Climate Change Action Initiative Fund is \$225,000.
Proposed 24/25 Budget Allocation	A draft budget proposal for \$1,225,000 has been prepared for consideration as part of the 2024/25 annual business plan and budget deliberations subject to prioritisation by Council.
Life of Project, Service, Initiative or (Expectancy of) Asset	The SIS has been ongoing since 2015, with regular reviews of incentive offerings to ensure alignment with Council and community needs.
23/24 Budget Reconsideration (if applicable)	Not as a result of this report
Ongoing Costs (eg maintenance cost)	The budget proposal for 2024/25 is for an ongoing allocation of \$1,225,000 indexed annually in line with CPI.
Other Funding Sources	Not as a result of this report

# DISCUSSION

## Background

1. At its meeting on 13 June 2023 ([Link 1](#)), the Council considered a Motion on Notice at Item 15.1 regarding the Sustainability Incentives Scheme (SIS) and directed Administration to prepare a report reviewing the Sustainability Incentives Scheme to assess its effectiveness in reducing community greenhouse gas emissions and identify opportunities for more targeted future.
2. Consultancy Tandem Energy, was engaged to review the Incentives for Sustainability Program and prepare a calculator to estimate environmental outcomes of the SIS and the Circular Economy incentives introduced in May 2023 (known collectively as the Incentives for Sustainability Program).

## Summary of SIS outcomes to date

3. Based on the assessment by Tandem Energy, since the Incentives for Sustainability Program was introduced in 2015:
  - 3.1. City of Adelaide has invested over \$1.6 million dollars into over 750 projects and leveraged \$8.37 of community investment for every dollar spent.
  - 3.2. Over the lifespan of all incentives provided since July 2015, there is an estimated cumulative emissions reduction of 33,962 tCO<sub>2</sub>e. This figure is equivalent to the emissions of 3,385 households' or 3.6% of City of Adelaide's 2022 Community Greenhouse Emissions Inventory.
  - 3.3. Solar installation has been the largest incentive type granted.
  - 3.4. There has been quick uptake of appliance electrification since this was included in the scheme in 2023.
4. Since 2015, the program has supported:
  - 4.1. Over 400 solar installations, with a total of 6.2 MW capacity
  - 4.2. 126 appliance or lighting upgrades
  - 4.3. 118 energy storage batteries
  - 4.4. 41 EV chargers with an average capacity of 20.7 kW
  - 4.5. 9 Climate Active certifications
  - 4.6. 6 performance ratings
  - 4.7. 1 home energy assessment.
5. Estimated savings in energy and water, and resources diverted from landfill since 2015 are provided in the table below.

Category	Annual savings	Equivalency
Electricity	11,473 MWh	2,295 households' electricity consumption
Gas	20,951 GJ	5,869 households' gas consumption
Water	210 kL	1.2 households' water consumption
Diversion from landfill	6,424 kg	1.8 SME's waste to landfill

## Outcomes from the program in 2023

6. A review of the Sustainability Incentives Scheme in 2022 resulted in multiple new rebates being launched in January 2023. This was followed by the inclusion of circular economy incentives in May 2023, and the overarching program rebranded as Incentives for Sustainability.
7. In 2023/24, \$225,000 of the Climate Change Action Initiative Fund (CCAIF) will be directed to the Program, which offers 23 different incentives.
8. From January to December 2023, the Incentives for Sustainability has invested in excess of \$76,000 to over 45 projects and leveraged \$9.27 of community investment for every dollar spent.

9. The cumulative emissions reduction for projects approved in 2023 is estimated to be 1,067 tCO<sub>2</sub>e. This figure is equivalent to the emissions of 107 households or 0.1% of City of Adelaide's 2022 Community Greenhouse Emissions Inventory.

### **Proposed Amendments to Incentives for Sustainability**

10. On [12 December 2023](#) (Link 2), Council endorsed the draft Integrated Climate Strategy for consultation in early 2024. The draft Strategy foreshadowed that Council will be required to invest more heavily in climate action to achieve the draft targets in the Strategy.
11. Climate actions are funded via the Climate Change Action Initiative Fund (CCAIF), which comprises 1% of rates revenue for operating priorities and salary costs.
12. Of the total CCAIF funding, \$225,500 is directed to the SIS which offers small scale rebates (up to \$25,000) for eligible community, not-for-profit and business sustainability improvements. The average rebate provided via the SIS is approximately \$1,600.
13. This report recommends the SIS be restructured to offer:
  - 13.1. A narrower range of small scale rebates that deliver tangible emissions savings in line with the priorities in the draft Integrated Climate Strategy, such as:
    - 13.1.1. Electric appliances such as induction cooktops, heat pumps and air conditioners
    - 13.1.2. Solar panel installations in a range of sizes
    - 13.1.3. Energy storage batteries
    - 13.1.4. EV chargers and associated demand management systems
    - 13.1.5. Electric bicycles and bicycle commuting accessories (panniers and racks)
    - 13.1.6. Water saving devices
    - 13.1.7. Circular economy offerings such as commercial food digestors and indoor sorting bins.
    - 13.1.8. Water sensitive rain garden services
    - 13.1.9. Arborist for tree retention services
    - 13.1.10. Energy Smart Buildings (current incentive offering) and/or Energy Smart Buildings Feasibility.
  - 13.2. Larger scale Council investment (\$50,000 to \$250,000 subject to Council decision per application) in business and community activities that deliver tangible emissions savings for:
    - 13.2.1. Assessment reports, project feasibility and project management support for whole of building/strata electrification and circular economy improvements.
    - 13.2.2. Electrification (such as appliance electrification, solar, EV charging infrastructure, battery storage, active travel and e-bikes), including use of a program partner.
    - 13.2.3. This may include providing incentives in partnership with heritage conservation works or as part of residential adaptive reuse.
14. Estimates have been undertaken using the calculation tool provided by Tandem Energy to determine the anticipated outcomes of an expanded and modified Incentives Program. This has assumed a combination of a narrower range of small-scale incentives, residential appliance bulk buys and large grant offerings for whole of strata/whole of building applications.
15. Based on an additional \$1M funding to the existing Program, it is estimated that the following could be achieved each year, which will aid the City to progress a decrease in its community emissions in line with objectives in the City of Adelaide Strategic Plan 2024-2028:
  - 15.1. First year emissions reductions of 5,761 tCO<sub>2</sub>e
  - 15.2. Cumulative emissions reductions of 15,851 tCO<sub>2</sub>e
  - 15.3. Annual increase in electricity consumption of 827MWh but reduction of gas consumption of 3,360,356GJ
  - 15.4. Annual decrease of water consumption of 228kL
  - 15.5. Annual diversion of 30,178kg from landfill.

## Operating Guidelines

16. As part of the Grants Management audit performed by KPMG in 2023 it was identified that internal Operating Guidelines for the Sustainability Incentive Scheme were to be prepared by 30 June 2024.
17. Operating Guidelines have been developed to accommodate both the existing scheme and the proposed restructured scheme as provided in Attachment A.

## Next Steps

18. Pending Council decision about investment in the Incentives for Sustainability Program as part of the annual 2024/25 business plan and budget process, it is proposed to:
  - 18.1. Restructure the SIS to offer both small scale and larger scale incentives.
  - 18.2. Review public facing guidance and terms and conditions documentation for Incentives for Sustainability Program on City of Adelaide's public website.

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## DATA AND SUPPORTING INFORMATION

**Link 1** – [Council Meeting – Agenda – Tuesday, 13 June 2023](#)

**Link 2** – [Council Meeting – Minutes – Tuesday, 12 December 2023](#)

**Link 3** – [Council Meeting – Agenda – Tuesday 30 January 2024](#)

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## ATTACHMENTS

**Attachment A** – Operating Guidelines for Sustainability Incentive Scheme

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- END OF REPORT -

# Incentives for Sustainability Program Operating Guidelines

13 February 2024

Council

## PURPOSE

This Operating Guideline has been prepared to support City of Adelaide (CoA) employees to ensure consistency in administering grants and incentives delivered to support sustainability outcomes, including low carbon, circular economy, greening and biodiversity outcomes. These programs are typically run by the Park Lands and Sustainability and the Low Carbon and Circular Economy Teams.

This Operating Guideline has been separated into two sections:

1. Grants Operation
2. Incentives Operation

## GRANTS OPERATION

### Strategic Context

Sustainability Program Grants may be used by the City of Adelaide to support priorities and actions outlined in the City of Adelaide's strategic documents related to sustainability, climate and circular economies.

### Objectives

Objectives for individual grant programs will be listed in public facing guidance and terms and conditions documentation. Objectives must clearly link to a strategic outcome or priority area related to sustainability, climate or circular economies.

### Eligibility

Eligibility for individual grant programs will be listed in public facing guidance and terms and conditions documentation. Eligibility criteria will clearly state who is eligible and who is ineligible for the specific program.

Applications in any grant program will be ineligible if any of the following apply:

- The applicant undertakes canvassing or lobbying of councillors or employees of the City of Adelaide in relation to their grant application during the application and assessment process;
- The application does not meet the identified priorities;
- The application will contravene an existing City of Adelaide Policy or Operating Guideline;
- Applicants are yet to acquit on any previous Council funding or finalise outstanding debts to Council.

Current Council employees or former employees who ceased employment less than six months before applying and who are residents are eligible to apply for funding.

## INCENTIVES FOR SUSTAINABILITY PROGRAM OPERATING GUIDELINES

Applicants that have received funding from other grants are not precluded from receiving funding from SIS.

Applicants may be eligible for funding more than once per year.

### Assessment Criteria

To support decision-making, a set of assessment criteria will be developed for each category within individual grant programs and will be included in the relevant public facing documentation. Assessment criteria should include at a minimum:

<b>CRITERIA</b>	<b>WEIGHTING</b>
Strategic alignment with the priorities of the grant	15%
Cultural, social, and environmental outcomes	15%

Other criteria should be specific to the individual grant's objectives.

### Application and Approval Process

Applicants seeking funding can apply by submitting an application form within the advertised timeframes through online submission via Smart Grants.

Once submitted, an application will be assessed according to:

- The eligibility criteria;
- Assessment criteria; and
- Available funding.

Where an application is incomplete or inaccurate, the applicant will be contacted and asked to supply additional information.

City of Adelaide understands that formal application and acquittal processes are not accessible and available for everyone and will provide support to individuals or groups to ensure the Sustainability Program Grants are fair and accessible.

### Roles and Responsibilities

Sustainability Program Grants will be organised and run by specific officers within the Park Lands and Sustainability and the Low Carbon and Circular Economy Teams.

The Climate Change Coordinator is responsible for supporting the specific officers in setting up and managing the SmartyGrants system. Each officer will organise an assessment panel when required for their specific grant program.

Administration aims to provide all applicants with the opportunity to access support and feedback while considering the application to the Sustainability Program Grants.

Council is committed to creating opportunities for collaboration and encourages applicants and Administration to work together to ensure that shared outcomes can be achieved.

**Decision Making**

Based on the identified program priorities, eligibility criteria and assessment guidelines, Administration will assess each application received as part of the Sustainability Program Grants and refer funding recommendations up to the value of \$50,000 (excluding GST) for a single application to the Manager of the relevant team (Park Lands and Sustainability or Low Carbon and Circular Economy) or appropriately delegated officer.

Funding recommendations in excess of \$50,000 will be presented to Council for decision.

**Funding Source**

Funding for the Sustainability Program Grants is subject to the City of Adelaide's Annual Business Plan and Budget annually. All grant funds will be allocated, administered and managed in a responsible and transparent manner. Approved grants will not exceed the annual budget. We have considered other funding sources available to avoid duplication.

**Notification and Payment**

All applicants will be notified in writing of the outcome of their application.

All successful applicants will be required to:

- Provide to City of Adelaide a copy of their organisation's Public Liability Insurance "Certificate of Currency" (minimum \$20 million) where relevant;
- Provide to City of Adelaide relevant details for Electronic Funds Transfer of grant monies;
- Sign a funding agreement detailing the grant's terms and conditions.

**Funding Acquittal**

All successful applicants (including multi-year funding commitments) will be required to provide a detailed written report on all outcomes of the project funded by City of Adelaide in the form of an acquittal report document (a template will be provided). For multi-year commitments, applicants will be required to set the acquittal year during the application process. If a project spans more than one year, a project update will be required at the end of each year. Acquittal reports will be required within 6 weeks from the conclusion of each project or annually for multi-year funding commitments. Applicants may also be required to present, promote and share their successful grant projects with the local community and/or other grant recipients.

**Key Performance Indicators**

Key measures of performance for the Sustainability Program Grants will be;

- Alignment of funding with the City of Adelaide Strategic Plan and any other identified strategic priorities;
- Impact on sustainability measures, including but not limited to reductions in greenhouse gas emissions, increases in resource recovery and improvements in biodiversity;
- Funded projects are successfully completed within funding agreement and a report and acquittal is submitted at the end of the project;

## INCENTIVES FOR SUSTAINABILITY PROGRAM OPERATING GUIDELINES

- Funded applicants achieve the stated outcomes;
- Annual promotion of Grants Program;
- Total amount of City of Adelaide funding distributed annually and total matched funds to measure return on investment.

### Monitoring and Implementation

The performance of the Sustainability Program Grants will be monitored through the administrative and financial systems of City of Adelaide.

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## INCENTIVES OPERATION

### Strategic Context

The City of Adelaide's Incentives for Sustainability Program are a primary driver for community action to support priorities outlined in the City of Adelaide's strategic documents related to sustainability, climate and circular economies.

Incentives for Sustainability is currently the culmination of two separate incentive schemes. The Sustainability Incentive Scheme, running in its current form since 2015, and the Circular Economy Incentives, established in 2023.

### Objectives

The objectives of the Incentives for Sustainability Program are:

- **Carbon emissions reduction** – support an overall reduction of carbon emissions
- **Growing renewables** – increase smart utilisation and storage of renewable electricity during peak supply periods
- **Zero emissions transport** - accelerate transport decarbonisation to capture economic opportunities
- **Driving Circular Economy** – eliminate food waste and increase resource recovery
- **Climate Readiness** – support increased resilience within the city through increasing water efficiency, improving greenery, and reducing tree canopy loss
- **Equity, access, and affordability** – accelerate uptake of sustainable technologies, practices, and initiatives in an equitable and financially responsive way
- **Innovation, environmental leadership and emerging technologies** – catalyse early adoption, benchmark certification and enhance consumer choice
- **Minimal administrative burden** – ensuring incentives are relatively simple to assess and provide a transparent application process

### Eligibility

The General Eligibility Criteria below apply to every available incentive.

- The property must be located within the City of Adelaide municipal area.
- Acquittals must be submitted within 12 months of project completion.
- Incentive funding is subject to City of Adelaide's annual budget processes and funding is limited.

- City of Adelaide reserves the right to cease incentives at any time without notification and applications are not guaranteed to receive funding (except where pre-commitment has been approved and activated).
- Eligibility of specific products or services is at City of Adelaide's discretion. City of Adelaide reserves the right to reject any applications.
- Rebates will be applied to the out-of-pocket installation or service cost incurred by the owner, occupier of the premise or body corporation, after all other incentives, grants, rebates, and discounts received have been deducted.
- The applicant acknowledges and agrees that the City of Adelaide accepts no liability in respect of any claim, cause of actions, loss or damage arising out of, or in relation to, any device purchased, or service procured under the incentives.
- Sustainability measures/devices supported through the incentives must be installed by appropriately licensed and accredited installers, and maintained in accordance with any relevant guidelines, and in a manner which does not pose risks to the health or welfare of any person.
- Where a Development Application (DA), is required, a rebate will be provided once the DA is granted, the system is installed according to the conditions set out in the DA, and the relevant paperwork is submitted.
- If approved, it may take City of Adelaide up to 30 working days to pay the rebate.
- City of Adelaide may request provision of information associated with the project including data for the preparation of a public facing case study.
- If the location for installation of a device supported through the incentives is within a strata or community title property, proof of the approval to install the device from the body corporate or equivalent must be provided with the application. (Refer to the relevant Strata Agreement).
- If a tenant is applying for a reimbursement, a written letter of permission from their landlord must be provided with their application to be eligible for the rebate.

Current Council employees or former employees who ceased employment less than six months before applying and who are residents are eligible to apply for funding. Applicants that have received funding from other grants are not precluded from receiving funding from SIS.

Applicants may be eligible for funding more than once per year.

Each incentive also has its own specific eligibility criteria as defined in **Appendix A**.

**Eligible Entities for specific incentives**

Rebate Type	 Houses owner occupied	 Houses tenanted	 Houses concession card holders	 Residential strata/ community/ body corporation buildings	 Small Medium Enterprises	 Multistorey commercial	 Non-profit community and sporting	 Precinct	 Building	 Organisation	 Event
Residential Solar PV	✗	✓	✓	✓	✗	✗	✓	N/A	N/A	N/A	N/A
Business Solar PV	✗	✗	✗	✗	✓	✓	✗	N/A	N/A	N/A	N/A
Shared Solar	N/A	N/A	N/A	✓	N/A	✓	N/A	N/A	N/A	N/A	N/A
Energy Storage Systems	✗	✗	✗	✗	✓	✓	✓	N/A	N/A	N/A	N/A
Energy Monitoring	✓	✓	✓	✓	✓	✓	✓	N/A	N/A	N/A	N/A
Energy Smart Buildings	✗	✗	✗	✓ <small>*multi-storey only</small>	✗	✓ <small>*Strata only</small>	✗	N/A	N/A	N/A	N/A
Retailer Energy Productivity Scheme (REPS) top up	✗	✓	✓	✗	✗	✗	✓	N/A	N/A	N/A	N/A
Appliance Electrification	✓	✓	✓	✓	✓	✓	✓	N/A	N/A	N/A	N/A
Electric Vehicle Charging Stations	✓	✓	✓	✓	✓	✓	✓	N/A	N/A	N/A	N/A
Electric Vehicle Charging Station Demand Management	✓	✓	✓	✓	✓	✓	✓	N/A	N/A	N/A	N/A
Climate Active Certification	N/A	N/A	N/A	N/A	N/A	N/A	N/A	✓	✓	✓	✓
Performance Ratings	N/A	N/A	N/A	✓	✓	✓	✓	N/A	N/A	N/A	N/A
Water Saving Devices	✓	✓	✓	✓	✓	✓	✓	N/A	N/A	N/A	N/A
Commercial green waste diversion	N/A	N/A	N/A	N/A	✓	✓	✓	N/A	N/A	N/A	N/A
Business Sustainability Training Support	N/A	N/A	N/A	N/A	✓	✗	✓	N/A	N/A	N/A	N/A
Home Energy / Sustainability Assessments	✓	✓	✓	✓	N/A	N/A	✓	N/A	N/A	N/A	N/A

**Application and Approval Process**

Applicants seeking funding can apply by submitting an application form within the advertised timeframes through online submission via Smart Grants.

Once submitted, an application will be assessed according to:

- The eligibility criteria; and
- Available funding.

Where an application is incomplete or inaccurate, the applicant will be contacted and asked to supply additional information.

The majority of applications will be processed post-project completion (once the applicant has paid in full), however pre-commitments are required for any applicant of the following rebates:

- Shared Solar
- Energy Smart Buildings
- Commercial Green Waste Diversion
- Business Sustainability Training Support

- Home Energy/Sustainability Assessments other than Residential Energy Scorecard Assessments
- Hard Waste Collection – Making Space for Resource Recovery
- Suppliers of Reusable Delivery Transport Containers
- Initial Purchase of Reusable Delivery Transport Containers
- Commercial Dishwasher.

A pre-commitment may also be available for projects that the Administration considers meet one of the following:

- Require the approval of a third party and involve higher levels of project management.
- Offer greater community demonstration potential.
- Engage multiple households or tenancies in a building.
- Involve participation of Commonwealth concession card holders or tenanted properties.

Administration will not pre-commit more than 75% of unallocated funding at any time in a financial year.

Where pre-commitments are approved, final payment is subject to meeting all requirements of the incentive with project completion within three months, or other such time as agreed in writing by City of Adelaide.

Council understands that formal application and acquittal processes are not accessible and available for everyone and will provide support to individuals or groups to ensure the Sustainability Program Grants are fair and accessible.

### **Roles and Responsibilities**

The Climate Change Coordinator is responsible for administering the Incentives for Sustainability Program. Administration aims to provide all applicants with the opportunity to access support and feedback while considering the application to the Incentives for Sustainability Program. Council is committed to creating opportunities for collaboration and encourages applicants and City of Adelaide to work together to ensure that shared outcomes can be achieved.

### **Decision Making**

Based on the above program priorities, eligibility criteria and assessment guidelines, City of Adelaide will assess each application received as part of the Incentives for Sustainability Program and refer funding recommendations up to the value of \$50,000 (excluding GST) for a single application to the Manager of the relevant team (Park Lands and Sustainability or Low Carbon and Circular Economy) or appropriately delegated officer.

Funding recommendations in excess of \$50,000 will be presented to Council for decision.

### **Funding Source**

Funding for the Incentives for Sustainability Program is subject to the City of Adelaide's Annual Business Plan and Budget annually. All incentive funds will be allocated, administered and managed in a responsible and transparent manner. Approved incentives will not exceed the annual budget. We have considered other funding sources available to avoid duplication.

### **Notification and Payment**

All applicants will be notified in writing of the outcome of their application. All successful applicants will be required to provide to City of Adelaide relevant details for Electronic Funds Transfer of grant monies.

### **Funding Acquittal**

All successful pre-commitment applicants will be required to provide final outcomes of the project funded by City of Adelaide in the form of an acquittal report document (a template will be provided). Acquittal reports will be required within 6 weeks from the conclusion of each project.

All applicants may also be required to present, promote and share their successful grant projects with the local community and/or other grant recipients.

### **Key Performance Indicators**

Key measures of performance for the Incentives for Sustainability program will be;

- Applications received and approved by type of incentive and month
- Total amount of funding distributed annually and total matched funds to measure return on investment.
- Overall investment ratio (total investment/ rebates) since 2015
- Impact on sustainability measures, including but not limited to;
  - Reductions in greenhouse gas emissions
  - Energy efficiency improvements
  - Total Solar PV installed
  - Total Energy Storage (kWh) installed
  - Total EV Charging Stations installed
  - Average EV Charging Station Capacity (kW)
  - Total Rainwater Storage (L) installed
  - Increases in resource recovery
  - Increases in biodiversity.

### **Monitoring and Implementation**

The performance of the Incentives for Sustainability Program will be monitored through the administrative and financial systems of City of Adelaide.

City of Adelaide is committed to regular review of the Incentives for Sustainability Program to ensure City of Adelaide is providing relevant incentives to encourage our community to transition to a climate ready, low carbon and circular economy, consistent with industry and market trends. Recommendations from these reviews will be presented to Council for consideration.

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**OTHER USEFUL DOCUMENTS**
**Related documents**

- Public facing guidance and terms and conditions documents
- How to for SmartyGrants and payments

**Relevant legislation**

- *Local Government Act 1999 (SA)*
- *City of Adelaide Act 1998 (SA)*
- *Environmental Protection Act 1993 (SA)*
- *Planning, Development and Infrastructure Act 2016 (SA)*
- *Heritage Act 1993 (SA)*

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**ADMINISTRATIVE**

As part of Council's commitment to deliver the City of Adelaide Strategic Plan, services to the community and the provision of transparent information, all policy documents are reviewed as per legislative requirements or when there is no such provision a risk assessment approach is taken to guide the review timeframe.

This Policy document will be reviewed every **four** years unless legislative or operational change occurs beforehand. The next review is required in **2028**.

**Review history:**

Trim Reference	Authorising Body	Date/ Decision ID	Description of Edits

**Contact:**

For further information contact the City Shaping Program.

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**Incentives for Sustainability Program Specific Eligibility Criteria**

The tables below provide an overview of eligibility for each individual incentive and provide examples of what would be ineligible for each incentive currently available through the Incentives for Sustainability Program.

<b>Residential Solar PV</b>	<b>Eligible</b>	<b>Ineligible</b>
<b>Categories and Descriptions</b>	<ul style="list-style-type: none"> <li>• 20% up to \$1,000 – <math>\geq 1.5</math> kW to <math>&lt; 10</math> kW Solar PV System</li> <li>• 20% up to \$2,500 – 10kW to <math>&lt; 20</math> kW Solar PV System</li> <li>• 20% up to \$5,000 – <math>\geq 20</math> kW Solar PV System</li> </ul>	<ul style="list-style-type: none"> <li>• <math>&lt; 1.5</math> kW Solar PV System</li> </ul>
<b>Entities</b>	<ul style="list-style-type: none"> <li>• Houses (Tenanted)</li> <li>• Houses (Commonwealth Concession Card Holders)</li> <li>• Residential Strata/Community/Body Corporation Buildings Shared Use areas or individual tenants</li> <li>• Not-for-profit Community or Sporting Facilities</li> </ul>	<ul style="list-style-type: none"> <li>• Houses (Owner Occupied)</li> <li>• Small to Medium Enterprises</li> <li>• Multistorey Commercial properties</li> </ul>
<b>Limits</b>	maximum of one application per retail electricity meter (National Meter Identifier – NMI).	Multiple applications per retail electricity meter (NMI)
<b>Power Purchase Agreements</b>	Solar PV systems purchased on a solar lease or power purchase agreements are eligible if the outright ownership is vested with the property owner or tenant at the end of the contracted term.	Solar PV systems purchased on a solar lease or power purchase agreements where outright ownership is vested with an external third party at the end of the contracted term.

<b>Business Solar PV</b>	<b>Eligible</b>	<b>Ineligible</b>
<b>Categories and Descriptions</b>	<ul style="list-style-type: none"> <li>• 20% up to \$1,250 – 10kW to &lt; 20kW Solar PV System</li> <li>• 20% up to \$2,500 – ≥20 kW Solar PV System</li> </ul>	<ul style="list-style-type: none"> <li>• &lt;1.5kW Solar PV System</li> <li>• ≥1.5 kW to &lt;10 kW Solar PV System</li> </ul>
<b>Entities</b>	<ul style="list-style-type: none"> <li>• Small to Medium Enterprises</li> <li>• Multistorey Commercial properties</li> </ul>	<ul style="list-style-type: none"> <li>• Houses (Owner Occupied)</li> <li>• Houses (Tenanted)</li> <li>• Houses (Commonwealth Concession Card Holders)</li> <li>• Residential Strata/Community/Body Corporation Buildings Shared Use areas or individual tenants</li> <li>• Not-for-profit Community or Sporting Facilities</li> </ul>
<b>Limits</b>	maximum of one application per retail electricity meter (National Meter Identifier – NMI).	Multiple applications per retail electricity meter (NMI)
<b>Power Purchase Agreements</b>	Solar PV systems purchased on a solar lease or power purchase agreements are eligible if the outright ownership is vested with the property owner or tenant at the end of the contracted term.	Solar PV systems purchased on a solar lease or power purchase agreements where outright ownership is vested with an external third party at the end of the contracted term.

**INCENTIVES FOR SUSTAINABILITY PROGRAM OPERATING GUIDELINES**

Shared Solar	Eligible	Ineligible
<p><b>Categories and Description</b></p>	<ul style="list-style-type: none"> <li>• A maximum rebate of up to \$20,000 per site comprising of:               <ul style="list-style-type: none"> <li>○ Up to \$500 per premise connected to the shared solar PV system; and</li> <li>○ No more than 20% of system costs.</li> </ul> </li> <li>• Only for the sharing of solar electricity between tenants in multi-storey premises (&gt;20 kW). More than 25% of power generated must be shared to individual tenants, not common areas.</li> <li>• Demonstrated governance and billing systems in place to distribute &gt;25% of annual solar generation to tenants' electricity usage.</li> </ul> <p>The number of premises will be determined based on the net lettable area divided by 500m<sup>2</sup></p> <p><b>Pre-commitments required</b></p>	<ul style="list-style-type: none"> <li>• Solar PV Systems 20 kW or less.</li> <li>• Solar PV Systems where more than 75% of generated power is used in common area.</li> <li>• Solar PV Systems where governance systems are not in place for the formal distribution of solar between individual tenants.</li> <li>• Solar PV Systems installed on single-storey premises, including strata</li> </ul>
<p><b>Entities</b></p>	<ul style="list-style-type: none"> <li>• <b>Multistorey</b> Commercial properties</li> <li>• <b>Multistorey</b> Residential Strata/Community/Body Corporation Buildings</li> </ul> <p>Premise must be multi-storey, with a premise located above another premise, and may include embedded networks or</p>	<ul style="list-style-type: none"> <li>• Houses (Owner Occupied)</li> <li>• Houses (Tenanted)</li> <li>• Houses (Commonwealth Concession Card Holders)</li> <li>• Single-storey Residential Strata/Community/Body Corporation Buildings</li> </ul>

	other technology-based solutions.	<p>Shared Use areas or individual tenants</p> <ul style="list-style-type: none"> <li>• Small to Medium Enterprises</li> <li>• Not-for-profit Community or Sporting Facilities</li> </ul>
<b>Limits</b>	Maximum of one application per retail electricity meter (National Meter Identifier – NMI).	Multiple applications per retail electricity meter (NMI)
<b>Power Purchase Agreements</b>	Solar PV systems purchased on a solar lease or power purchase agreements are eligible if the outright ownership is vested with the property owner or tenant at the end of the contracted term.	Solar PV systems purchased on a solar lease or power purchase agreements where outright ownership is vested with an external third party at the end of the contracted term.

**INCENTIVES FOR SUSTAINABILITY PROGRAM OPERATING GUIDELINES**

<b>Energy Storage</b>	<b>Eligible</b>	<b>Ineligible</b>
<b>Categories and Description</b>	<ul style="list-style-type: none"> <li>• 50% up to \$2,000 – Battery Energy Storage System</li> <li>• The system must be installed to optimise internal electricity consumption and not be configured as a mains electricity supply back-up system only.</li> <li>• Costs associated with the energy storage system equipment and installation only.</li> </ul>	<ul style="list-style-type: none"> <li>• Energy Storage Systems configured as a mains electricity supply back-up system only.</li> <li>• Additional costs such as switchboard upgrades.</li> </ul>
<b>Entities</b>	<ul style="list-style-type: none"> <li>• Small to Medium Enterprises</li> <li>• Multistorey Commercial properties</li> <li>• Not-for-profit Community or Sporting Facilities</li> </ul>	<ul style="list-style-type: none"> <li>• Houses (Owner Occupied)</li> <li>• Houses (Tenanted)</li> <li>• Houses (Commonwealth Concession Card Holders)</li> <li>• Residential Strata/Community/Body Corporation Buildings</li> </ul>
<b>Limits</b>	maximum of one application per retail electricity meter (National Meter Identifier – NMI).	Multiple applications per retail electricity meter (NMI)
<b>Power Purchase Agreements</b>	Energy Storage Systems purchased on a lease or power purchase agreements are eligible if the outright ownership is vested with the property owner or tenant at the end of the contracted term.	Energy Storage Systems purchased on a lease or power purchase agreements where outright ownership is vested with an external third party at the end of the contracted term.

Energy Monitoring	Eligible	Ineligible
<p><b>Categories and Description</b></p>	<ul style="list-style-type: none"> <li>• 50% up to \$100 – stand-alone energy monitoring display installed on a premise with no solar PV or battery system.</li> </ul> <p>The energy monitoring system must provide real-time energy monitoring of mains power consumption for the premise.</p>	<ul style="list-style-type: none"> <li>• Energy Monitoring System installed on a premise with existing solar PV or battery system.</li> <li>• Smart electricity (utility) meters</li> </ul>
<p><b>Entities</b></p>	<ul style="list-style-type: none"> <li>• Houses (Owner Occupied)</li> <li>• Houses (Tenanted)</li> <li>• Houses (Commonwealth Concession Card Holders)</li> <li>• Residential Strata/Community/Body Corporation Buildings</li> <li>• Small to Medium Enterprises</li> <li>• Multistorey Commercial properties</li> <li>• Not-for-profit Community or Sporting Facilities</li> </ul>	
<p><b>Limits</b></p>	<p><b>Eligible Residential, Business, Community and Sporting Premises</b> – maximum of one application per rateable, rate exempt or rate rebated premise.</p> <p><b>Building Owners, Community Corporations and Body Corporates</b> – maximum of one application per site record</p>	<p>Multiple applications per rateable, rate exempt or rate rebated premise, or site record</p>

**INCENTIVES FOR SUSTAINABILITY PROGRAM OPERATING GUIDELINES**

Energy Smart Buildings	Eligible	Ineligible
<p><b>Categories and Description</b></p>	<ul style="list-style-type: none"> <li>• 20% up to \$25,000 – Innovative, whole-building approaches that make a measurable impact to energy efficiency and the electrification of multi-storey residential or commercial strata/community/body corporate buildings.</li> </ul> <p><b>Pre-commitment required.</b></p> <p><b>Business Case required</b> demonstrating measurable impact to energy efficiency and the electrification of the premise.</p> <p>An energy audit or report prepared by an accredited energy assessor, suitably qualified engineer or equivalent may be required for complex energy efficiency measures or to clarify projected savings.</p> <p>Eligible projects include but are not limited to:</p> <ul style="list-style-type: none"> <li>• Energy efficiency upgrades to common area ventilation and lighting</li> <li>• Energy efficiency upgrades to water pumps and water heaters</li> <li>• Energy efficiency upgrades to lifts</li> <li>• Replacement of gas appliances with energy efficient electric or solar</li> </ul>	<ul style="list-style-type: none"> <li>• Projects that are maintenance, like-for-like replacements, or renewals.</li> <li>• Buildings less than 24 months from certificate of occupancy.</li> </ul>

	<p>powered alternatives in common or shared use areas</p> <ul style="list-style-type: none"> <li>• Implementation of projects to improve thermal performance of the building, such as: <ul style="list-style-type: none"> <li>○ Double or higher glazing of windows</li> <li>○ Shading on the western side of buildings</li> </ul> </li> </ul>	
<b>Entities</b>	<ul style="list-style-type: none"> <li>• <b>Multistorey</b> Residential Strata/Community/Body Corporation Buildings</li> <li>• <b>Multistorey</b> Commercial properties</li> </ul>	<ul style="list-style-type: none"> <li>• Houses (Owner Occupied)</li> <li>• Houses (Tenanted)</li> <li>• Houses (Commonwealth Concession Card Holders)</li> <li>• Single-storey Residential Strata/Community/Body Corporation Buildings</li> <li>• Small to Medium Enterprises</li> <li>• Not-for-profit Community or Sporting Facilities</li> </ul>
<b>Limits</b>	Maximum of one application per site record per twelve (12) month period for eligible projects	Multiple applications per site record per twelve month period.

**INCENTIVES FOR SUSTAINABILITY PROGRAM OPERATING GUIDELINES**

<b>REPS Top Up</b>	<b>Eligible</b>	<b>Ineligible</b>
<b>Categories and Description</b>	<ul style="list-style-type: none"> <li>• 25% up to \$500 on Approved REPS activities</li> </ul> <p>Categories are:</p> <ol style="list-style-type: none"> <li>1. Insulation and Building Sealing</li> <li>2. Heating and Cooling</li> <li>3. Water Heating</li> <li>4. Standby Power Controllers</li> <li>5. Appliances</li> </ol>	<ul style="list-style-type: none"> <li>• Lighting installations that receive a REPS rebate</li> </ul>
<b>Entities</b>	<ul style="list-style-type: none"> <li>• Houses (Tenanted)</li> <li>• Houses (Commonwealth Concession Card Holders)</li> </ul>	<ul style="list-style-type: none"> <li>• Houses (Owner Occupied)</li> <li>• Residential Strata/Community/Body Corporation Buildings</li> <li>• Small to Medium Enterprises</li> <li>• Multistorey Commercial properties</li> <li>• Not-for-profit Community or Sporting Facilities</li> <li>•</li> </ul>
<b>Limits per category</b>	maximum of one application per approved REPS activity per rateable, rate exempt or rate rebated premise	Multiple applications per category per rateable, rate exempt or rate rebated premise

Appliance Electrification	Eligible	Ineligible
<p><b>Categories and Description</b></p>	<ul style="list-style-type: none"> <li>• 50% up to \$1,000 (residential) and \$5,000 (commercial and not-for-profit)</li> </ul> <p>Categories are:</p> <ul style="list-style-type: none"> <li>• Hot Water Systems</li> <li>• Heating Ventilation and Air Conditioning Systems</li> <li>• Cooking Appliances – Stove Tops</li> <li>• Cooking Appliances – Ovens</li> <li>• Other Gas Appliances</li> </ul> <p>Appliance must be replacing a gas or wood burning appliance with either an all-electric or solar powered appliance.</p>	<ul style="list-style-type: none"> <li>• Replacement of an electric appliance.</li> <li>• Replacement with a gas or hybrid (including gas) appliance.</li> </ul>
<p><b>Entities</b></p>	<ul style="list-style-type: none"> <li>• Houses (Owner Occupied)</li> <li>• Houses (Tenanted)</li> <li>• Houses (Commonwealth Concession Card Holders)</li> <li>• Residential Strata/Community/Body Corporation Buildings</li> <li>• Small to Medium Enterprises</li> <li>• Multistorey Commercial properties</li> <li>• Not-for-profit Community or Sporting Facilities</li> </ul>	
<p><b>Limits per category</b></p>	<p><b>Eligible Residential, Business, Community and Sporting Premises</b> – maximum of one application per rateable, rate exempt or rate rebated premise.</p>	<p>Multiple applications per rateable, rate exempt or rate rebated premise, or site record</p>

**INCENTIVES FOR SUSTAINABILITY PROGRAM OPERATING GUIDELINES**

	<p><b>Building Owners, Community Corporations and Body Corporates</b> – maximum of one application per site record</p>	
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<b>EV Charging</b>	<b>Eligible</b>	<b>Ineligible</b>
<p><b>Categories and Description</b></p>	<p><b>EV Charging Stations</b></p> <ul style="list-style-type: none"> <li>• 50% up to \$250 – Electric bicycle charging station</li> <li>• 50% up to \$1,000 – Electric vehicle one way charging station (7 kW to &lt;50 kW)</li> <li>• 25% up to \$2,000 – Electric vehicle ‘smart’* charging station (7 kW to &lt; 50 kW)</li> </ul> <p>* Smart stations include those with demand management capabilities or two-way charging capabilities</p> <p><b>EV Demand Management Systems</b></p> <ul style="list-style-type: none"> <li>• 25% up to \$1,000 – stand-alone system</li> <li>• 50% up to \$10,000 – network-integrated system</li> </ul>	<ul style="list-style-type: none"> <li>• Electric vehicle charging stations &gt; 50 kW</li> <li>• Software subscription and monitoring service fees</li> </ul>
<p><b>Entities</b></p>	<ul style="list-style-type: none"> <li>• Houses (Owner Occupied)</li> <li>• Houses (Tenanted)</li> <li>• Houses (Commonwealth Concession Card Holders)</li> <li>• Residential Strata/Community/Body Corporation Buildings</li> <li>• Small to Medium Enterprises</li> <li>• Multistorey Commercial properties</li> </ul>	

	<ul style="list-style-type: none"> <li>• Not-for-profit Community or Sporting Facilities</li> </ul>	
<b>Limits per category</b>	<p>maximum of one application per retailer electricity meter (National Meter Identifier – NMI).</p> <p>The application may include multiple electric vehicle chargers.</p> <p>A demand management system must be controlling four or more electric vehicle chargers on a single NMI.</p>	<p>More than one application per NMI.</p> <p>Demand Management system controlling less than four EV chargers on a single NMI.</p>

**INCENTIVES FOR SUSTAINABILITY PROGRAM OPERATING GUIDELINES**

<b>Climate Active Certification</b>	<b>Eligible</b>	<b>Ineligible</b>
<p><b>Categories and Description</b></p>	<ul style="list-style-type: none"> <li>• 25% up to \$2,500 – Greenhouse gas inventory independent audit</li> <li>• 50% up to \$4,000 – Greenhouse gas emissions inventory and emissions reduction strategy preparation</li> </ul> <p><b>Pre-commitments recommended but NOT required</b></p> <p>Only consultant service fees associated with an organisation, precinct, building or event seeking Climate Active carbon neutral certification, are eligible.</p> <p>For accredited consultants undertaking the process for their own organisation, precinct, building or event certification, evidence of time spent and hourly rate of the staff undertaking the assessment will be required.</p>	<ul style="list-style-type: none"> <li>• Certification fees to climate active</li> <li>• Other associated fees (not consultant services)</li> </ul>
<p><b>Entities</b></p>	<ul style="list-style-type: none"> <li>• Precinct within City of Adelaide</li> <li>• Building within City of Adelaide, including:               <ul style="list-style-type: none"> <li>○ Residential Strata/Community/Body Corporation Buildings</li> <li>○ Multistorey Commercial properties</li> </ul> </li> <li>• Organisation with primary registered business address (i.e. largest premise by number of staff) within the City of Adelaide, including:               <ul style="list-style-type: none"> <li>○ Small to Medium Enterprises</li> <li>○ Not-for-profit Community or Sporting Facilities</li> </ul> </li> <li>• Events within City of Adelaide</li> </ul>	<ul style="list-style-type: none"> <li>• Houses (Owner Occupied)</li> <li>• Houses (Tenanted)</li> <li>• Houses (Commonwealth Concession Card Holders)</li> <li>• Organisations with primary registered address outside of City of Adelaide</li> <li>• Precincts, Buildings and Events outside of City of Adelaide</li> </ul>
<p><b>Limits per category</b></p>	<p>Maximum of one application per twenty four (24) month period.</p>	

Performance Ratings	Eligible	Ineligible
<p><b>Categories and Description</b></p>	<ul style="list-style-type: none"> <li>• 50% up to \$5,000 – Building environmental ratings</li> </ul> <p>Categories are:</p> <ul style="list-style-type: none"> <li>• Green Star</li> <li>• EarthCheck</li> <li>• Living Building</li> <li>• Other</li> </ul> <p><b>Pre-commitments required</b></p> <p>Eligible ratings include any rating scope and/or type offered by the Green Building Council of Australia (Green Star), EarthCheck, or the Living Future Institute Australia.</p> <p>Other certification schemes may be eligible at Council discretion.</p> <p>Must be completed by an accredited practitioner.</p> <p>Only consultant service fees associated with an eligible rating are eligible.</p> <p>For accredited consultants undertaking the process for their own building, evidence of time spent and hourly rate of the staff undertaking the assessment will be required.</p>	<ul style="list-style-type: none"> <li>• NABERS ratings not funded</li> <li>• Certification costs and other fees associated with ratings (not consultant services)</li> </ul>
<p><b>Entities</b></p>	<ul style="list-style-type: none"> <li>• Residential Strata/Community/Body Corporation Buildings</li> <li>• Small to Medium Enterprises</li> <li>• Multistorey Commercial properties</li> </ul>	<ul style="list-style-type: none"> <li>• Houses (Owner Occupied)</li> <li>• Houses (Tenanted)</li> <li>• Houses (Commonwealth Concession Card Holders)</li> </ul>

**INCENTIVES FOR SUSTAINABILITY PROGRAM OPERATING GUIDELINES**

	<ul style="list-style-type: none"> <li>• Not-for-profit Community or Sporting Facilities</li> </ul>	
<b>Limits per category</b>	<p><b>Residential, business, non-profit community and sporting facilities</b> – maximum of one application per rateable, rate exempt or rate rebated premises per twenty four (24) month period.</p> <p><b>Landlords and body corporations</b> – maximum one application per site record per twenty four (24) month period.</p>	

Water Saving Devices	Eligible	Ineligible
<b>Categories and Description</b>	<ul style="list-style-type: none"> <li>• 50% up to \$500 – Rainwater tank &gt; 2,000 L plumbed into a single premise toilet, hot water service or washing machine.</li> <li>• 50% up to \$5,000 – Rainwater tank plumbed into a common laundry, public conveniences or a toilet or hot water service or washing machine in a negotiated number of dwellings</li> <li>• 50% up to \$1,000 – <b>purchase and installation</b> by a registered plumber of digital water meter with display to enable real-time water use data</li> </ul>	<ul style="list-style-type: none"> <li>• Rainwater tanks not plumbed into an eligible appliance</li> <li>• Rainwater tanks installed for garden use alone</li> <li>• Digital water meters without real-time digital capabilities</li> <li>• Digital water meters not installed by a registered plumber</li> <li>• any ongoing costs associated with the digital water meters.</li> </ul>
<b>Entities</b>	<ul style="list-style-type: none"> <li>• Houses (Owner Occupied)</li> <li>• Houses (Tenanted)</li> <li>• Houses (Commonwealth Concession Card Holders)</li> <li>• Residential Strata/Community/Body Corporation Buildings</li> <li>• Small to Medium Enterprises</li> <li>• Multistorey Commercial properties</li> <li>• Not-for-profit Community or Sporting Facilities</li> </ul>	
<b>Limits</b>	<b>Residential, business, non-profit community and sporting facilities</b> – maximum of one application per rateable, rate exempt or rate rebated premises.	More than 20 digital water meters.

**INCENTIVES FOR SUSTAINABILITY PROGRAM OPERATING GUIDELINES**

	<p><b>Landlords and body corporations</b> – maximum one application per site record.</p> <p>The application may include a maximum of 20 digital water meters.</p>	
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<b>Commercial Green Waste Diversion</b>	<b>Eligible</b>	<b>Ineligible</b>
<p><b>Categories and Description</b></p>	<ul style="list-style-type: none"> <li>50% up to \$5,000 on out-right purchase or first 12-months of a rental agreement – commercial rapid composter, dehydrator or similar system to divert green waste from landfill.</li> </ul> <p><b>Pre-commitment required</b> including statement affirming landfill avoidance strategy. This could include:</p> <ol style="list-style-type: none"> <li>Privately Contracted Green Waste Removal Service (billing invoices from licenced operator over a consecutive two months required as proof, billing periods must not overlap)</li> <li>Providing green waste to community garden.</li> </ol> <p>A trade waste application may be required from SA Water to operate a commercial composter, dehydrator, or similar system on site if the system dispels wastewater to the sewer network.</p> <p>The name of the</p>	<ul style="list-style-type: none"> <li>Maintenance or other costs associated with running the system.</li> <li>Application that does not define landfill avoidance strategy or details of contact with SA Water officer regarding requirement for Trade Waste Application.</li> <li>Applications where organic waste bins are not being stored in compliance with City of Adelaide Waste Management By-Laws</li> <li>Applications where individual business applying but waste managed by landlord or building manager.</li> </ul>

	<p>officer and date of contact must be included in the application and, if required, a copy of an approved trade waste application must be provided.</p> <p>Organic waste bins must be stored in compliance with the City of Adelaide Waste Management by-laws 2018.</p> <p>If an individual business is applying, waste must be managed by that business and not by a building manager or landlord.</p>	
<b>Entities</b>	<ul style="list-style-type: none"> <li>• Small to Medium Enterprises</li> <li>• Multistorey Commercial properties</li> <li>• Not-for-profit Community or Sporting Facilities</li> </ul>	<ul style="list-style-type: none"> <li>• Houses (Owner Occupied)</li> <li>• Houses (Tenanted)</li> <li>• Houses (Commonwealth Concession Card Holders)</li> <li>• Residential Strata/Community/Body Corporation Buildings</li> </ul>
<b>Limits</b>	<p>maximum of one application per rateable, rate exempt or rate rebated premises.</p>	<p>Multiple applications per premises.</p>

**INCENTIVES FOR SUSTAINABILITY PROGRAM OPERATING GUIDELINES**

<b>Business Sustainability Training Support</b>	<b>Eligible</b>	<b>Ineligible</b>
<p><b>Categories and Description</b></p>	<ul style="list-style-type: none"> <li>• 50% up to \$200 – Multi-session training courses designed to build small to medium business capacity to improve sustainability and/or reduce emissions.</li> </ul> <p><b>Pre-commitment required.</b></p> <p>Courses must meet the following conditions to be eligible:</p> <ol style="list-style-type: none"> <li>a. Cover one or more topics related to sustainable business operations or climate change literacy</li> <li>b. Completed over two or more sessions</li> <li>c. Builds internal capacity to improve sustainability and/or reduce emissions for the business' operation</li> </ol>	<ul style="list-style-type: none"> <li>• cost to attend conferences, trade shows or award ceremonies</li> <li>• cost of overseas, interstate or intrastate travel expenses</li> </ul>
<p><b>Entities</b></p>	<ul style="list-style-type: none"> <li>• Small to Medium Enterprises</li> <li>• Not-for-profit Community or Sporting Facilities</li> </ul>	<ul style="list-style-type: none"> <li>• Houses (Owner Occupied)</li> <li>• Houses (Tenanted)</li> <li>• Houses (Commonwealth Concession Card Holders)</li> <li>• Residential Strata/Community/Body Corporation Buildings</li> <li>• Multistorey Commercial properties</li> </ul>
<p><b>Limits</b></p>	<p>maximum of two applications for individuals per organisation per twelve (12) month period</p>	<p>More than two applications per organisation per 12 month period.</p>

Home Energy/Sustainability Assessments	Eligible	Ineligible
<b>Categories and Description</b>	<ul style="list-style-type: none"> <li>50% up to \$200 – Residential Efficiency Scorecard (RES) or similar.</li> </ul> <p><b>If not RES, pre-commitment required.</b></p> <p>Assessments must be undertaken by an accredited practitioner</p>	<ul style="list-style-type: none"> <li>Assessments not undertaken by accredited practitioner</li> </ul>
<b>Entities</b>	<ul style="list-style-type: none"> <li>Houses (Owner Occupied)</li> <li>Houses (Tenanted)</li> <li>Houses (Commonwealth Concession Card Holders)</li> <li>Residential Strata/Community/Body Corporation Buildings shared use areas or individual tenants</li> <li>Not-for-profit Community or Sporting Facilities</li> </ul>	<ul style="list-style-type: none"> <li>Small to Medium Enterprises</li> <li>Multistorey Commercial properties</li> </ul>
<b>Limits</b>	maximum of one application per rateable, rate exempt or rate rebated premise per twenty-four month (24) period	More than one application per premise per 24 month period.

**INCENTIVES FOR SUSTAINABILITY PROGRAM OPERATING GUIDELINES**

<b>Food Organics Collection Service</b>	<b>Eligible</b>	<b>Ineligible</b>
<b>Categories and Description</b>	<ul style="list-style-type: none"> <li>Two-months expenses up to \$400 – contracting a food organics collection service.</li> </ul> <p>Billing invoices from licenced operator over a consecutive two months required, billing periods must not overlap</p> <p>Organic waste bins must be stored in compliance with the City of Adelaide Waste Management by-laws 2018.</p> <p>If an individual business is applying, waste must be managed by that business and not by a building manager or landlord.</p>	
<b>Entities</b>	<ul style="list-style-type: none"> <li>Small to Medium Enterprises</li> <li>Multistorey Commercial properties</li> <li>Not-for-profit Community or Sporting Facilities</li> </ul>	<ul style="list-style-type: none"> <li>Houses (Owner Occupied)</li> <li>Houses (Tenanted)</li> <li>Houses (Commonwealth Concession Card Holders)</li> <li>Residential Strata/Community/Body Corporation Buildings</li> </ul>
<b>Limits</b>	<p><b>Business, non-profit community sporting facilities</b> – maximum of one application per rateable, rate exempt or rate rebated premise.</p> <p><b>Landlord, building owners, and body corporations</b> – maximum of one application per site record</p>	Multiple applications per premise or site record.

Hard Waste Collection	Eligible	Ineligible
<p><b>Categories and Description</b></p>	<ul style="list-style-type: none"> <li>50% up to \$400 – one-off hard waste pickup to remove unwanted items and increase storage space for resource recovery items.</li> </ul> <p><b>Pre-commitment required</b></p> <p>Billing invoices from a licensed waste operator must be presented.</p> <p>If an individual business is applying, hard waste must be owned and managed by that business and not by a building manager or landlord.</p> <p>Evidence must be provided to show how space recovered through hard waste pickup will be used for resource recovery/reusable systems. Site visit may occur to ensure storage space setup matches evidence provided.</p>	
<p><b>Entities</b></p>	<ul style="list-style-type: none"> <li>Small to Medium Enterprises</li> <li>Multistorey Commercial properties</li> <li>Not-for-profit Community or Sporting Facilities</li> </ul>	<ul style="list-style-type: none"> <li>Houses (Owner Occupied)</li> <li>Houses (Tenanted)</li> <li>Houses (Commonwealth Concession Card Holders)</li> <li>Residential Strata/Community/Body Corporation Buildings</li> </ul>

**INCENTIVES FOR SUSTAINABILITY PROGRAM OPERATING GUIDELINES**

<p><b>Limits</b></p>	<p><b>Business, non-profit community sporting facilities</b> – maximum of one application per rateable, rate exempt or rate rebated premise.</p> <p><b>Landlord, building owners, and body corporations</b> – maximum of one application per site record</p>	<p>Multiple applications per premise or site record.</p>
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Suppliers of Reusable Delivery Containers	Eligible	Ineligible
<p><b>Categories and Description</b></p>	<ul style="list-style-type: none"> <li>50% up to \$500 – services that deliver back-of-house supplies in reusable containers to your business.</li> </ul> <p><b>Pre-commitments required</b></p> <p>Evidence of reusable transport containers (e.g., reusable crates, kegs) used by supplier must be provided (swap system)</p> <p>Billing invoices over a consecutive two-month period from a supplier must be presented, and the billing period must not overlap</p> <p>The rebate applicant must be receiving supplies transported with reusable delivery containers. Supplier can be located outside the CoA as long as the recipient of this rebate is located within the Adelaide CBD or North Adelaide.</p>	<ul style="list-style-type: none"> <li>Beer kegs, pallets, bakery crates, large drums/tanks and milk crates</li> <li>cannot be used by a supplier to replenish their existing stock of reusable containers.</li> </ul>
<p><b>Entities</b></p>	<ul style="list-style-type: none"> <li>Small to Medium Enterprises</li> <li>Not-for-profit Community or Sporting Facilities</li> </ul>	<ul style="list-style-type: none"> <li>Multistorey Commercial properties</li> <li>Houses (Owner Occupied)</li> <li>Houses (Tenanted)</li> <li>Houses (Commonwealth Concession Card Holders)</li> <li>Residential Strata/Community/Body Corporation Buildings</li> </ul>

**INCENTIVES FOR SUSTAINABILITY PROGRAM OPERATING GUIDELINES**

<p><b>Limits</b></p>	<p><b>Business, non-profit community sporting facilities</b> – maximum of one application per rateable, rate exempt or rate rebated premise.</p> <p><b>Landlord, building owners, and body corporations</b> – maximum of one application per site record</p>	<p>Multiple applications per premise or site record.</p>
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Initial Purchase of Reusable Delivery Containers	Eligible	Ineligible
<p><b>Categories and Description</b></p>	<ul style="list-style-type: none"> <li>50% up to \$10,000 – initial purchase of reusable transport containers between supplier and business.</li> </ul> <p><b>Pre-commitments required</b></p> <p>Evidence of reusable transport containers (e.g., reusable crates, kegs) used by supplier must be provided (swap system)</p> <p>Reusable transport containers must be made with at least 50% recycled material. Reusable containers must comply with SA Health and Transport standards</p> <p>The rebate applicant must be either a CoA business receiving supplies transported with the purchased reusable delivery containers or be a CoA business transporting products with purchased reusable containers (swap system).</p>	<ul style="list-style-type: none"> <li>Beer kegs, milk crates, bakery crates, large drums/ tanks, and pallets</li> <li>cannot be used by a supplier to replenish their existing stock of reusable containers.</li> </ul>
<p><b>Entities</b></p>	<ul style="list-style-type: none"> <li>Small to Medium Enterprises</li> <li>Not-for-profit Community or Sporting Facilities</li> </ul>	<ul style="list-style-type: none"> <li>Multistorey Commercial properties</li> <li>Houses (Owner Occupied)</li> <li>Houses (Tenanted)</li> <li>Houses (Commonwealth Concession Card Holders)</li> </ul>

**INCENTIVES FOR SUSTAINABILITY PROGRAM OPERATING GUIDELINES**

		<ul style="list-style-type: none"> <li>Residential Strata/Community/Body Corporation Buildings</li> </ul>
<b>Limits</b>	<p><b>Business, non-profit community sporting facilities</b> – maximum of one application per rateable, rate exempt or rate rebated premise.</p> <p><b>Landlord, building owners, and body corporations</b> – maximum of one application per site record</p>	Multiple applications per premise or site record.

<b>Commercial Dishwasher</b>	<b>Eligible</b>	<b>Ineligible</b>
<b>Categories and Description</b>	<ul style="list-style-type: none"> <li>50% up to \$7,000 – commercial dishwasher to improve opportunities to use, wash and reuse items.</li> </ul> <p><b>Pre-commitment required</b></p> <p>Applicant must provide details on how the dishwasher will improve reuse systems. This could include:</p> <ul style="list-style-type: none"> <li>Evidence of purchase of new reusable items at the time of installation</li> <li>Photographic evidence of use of single use items prior to installation and description of reusables that will be replacing those.</li> </ul> <p>Dishwasher must have high energy star rating.</p>	<ul style="list-style-type: none"> <li>Replacement of existing dishwasher without evidence of increased use of reusable items and reduction of single use items</li> <li>Installation of a new system for a new premise (i.e. no previous use of single use items).</li> </ul>
<b>Entities</b>	<ul style="list-style-type: none"> <li>Small to Medium Enterprises</li> <li>Not-for-profit Community or Sporting Facilities</li> </ul>	<ul style="list-style-type: none"> <li>Multistorey Commercial properties</li> <li>Houses (Owner Occupied)</li> <li>Houses (Tenanted)</li> <li>Houses (Commonwealth Concession Card Holders)</li> <li>Residential Strata/Community/Body Corporation Buildings</li> </ul>
<b>Limits</b>	<p><b>Business, non-profit community sporting facilities</b> – maximum of one application per rateable, rate exempt or rate rebated premise.</p>	<p>Multiple applications per premise.</p>

**INCENTIVES FOR SUSTAINABILITY PROGRAM OPERATING GUIDELINES**

<b>Indoor Sorting Bins</b>	<b>Eligible</b>	<b>Ineligible</b>
<p><b>Categories and Description</b></p>	<ul style="list-style-type: none"> <li>• 50% up to \$5,000 – indoor sorting bin (e.g. recycling, organics) and educational signage.</li> </ul> <p>Indoor bins must match existing back-of-house bin collection services. Eligible streams include:</p> <ul style="list-style-type: none"> <li>• food organics</li> <li>• 10c containers</li> <li>• co-mingled recycling</li> <li>• paper and cardboard</li> <li>• electronic waste and batteries</li> </ul> <p>Bin colours must match the National Australian standard (e.g. green/FOGO, yellow/co-mingled recycling, blue/paper and cardboard).</p>	<ul style="list-style-type: none"> <li>• Bins for materials processed as alternative fuel</li> </ul>
<p><b>Entities</b></p>	<ul style="list-style-type: none"> <li>• Small to Medium Enterprises</li> <li>• Multistorey Commercial properties</li> <li>• Not-for-profit Community or Sporting Facilities</li> </ul>	<ul style="list-style-type: none"> <li>• Houses (Owner Occupied)</li> <li>• Houses (Tenanted)</li> <li>• Houses (Commonwealth Concession Card Holders)</li> <li>• Residential Strata/Community/Body Corporation Buildings</li> </ul>
<p><b>Limits</b></p>	<p><b>Business, non-profit community sporting facilities</b> – maximum of one application per rateable, rate exempt or rate rebated premise.</p> <p><b>Landlord, building owners, and body corporations</b> – maximum of one application per site record</p>	<p>Multiple applications per premise or site record.</p>

Reusable Takeaway Containers	Eligible	Ineligible
<p><b>Categories and Description</b></p>	<ul style="list-style-type: none"> <li>50% up to \$3,000 – purchase or subscription of reusable takeaway coffee cups and food containers through reusable supplier</li> </ul> <p>Billing invoices over a consecutive three-month period from a supplier must be presented, and the billing period must not overlap.</p> <p>The rebate applicant must be for providing reusable coffee cups or takeaway containers to customers or tenants (swap system).</p>	<ul style="list-style-type: none"> <li>Replacement of existing crockery/cutlery.</li> </ul>
<p><b>Entities</b></p>	<ul style="list-style-type: none"> <li>Small to Medium Enterprises</li> <li>Multistorey Commercial properties</li> <li>Not-for-profit Community or Sporting Facilities</li> </ul>	<ul style="list-style-type: none"> <li>Houses (Owner Occupied)</li> <li>Houses (Tenanted)</li> <li>Houses (Commonwealth Concession Card Holders)</li> <li>Residential Strata/Community/Body Corporation Buildings</li> </ul>
<p><b>Limits</b></p>	<p><b>Business, non-profit community sporting facilities</b> – maximum of one application per rateable, rate exempt or rate rebated premise.</p> <p><b>Landlord, building owners, and body corporations</b> – maximum of one application per site record</p>	<p>Multiple applications per premise or site record.</p>

## Heritage Incentives Scheme Operating Guidelines

Strategic Alignment - Our Places

Public

**Tuesday, 6 February 2024**  
**City Planning, Development and Business Affairs Committee**

**Program Contact:**  
Associate Director Park Lands,  
Policy & Sustainability

**Approving Officer:**  
Iliia Houridis, Director City  
Shaping

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## EXECUTIVE SUMMARY

This report summarises a review of City of Adelaide's Heritage Incentives Scheme Operating Guidelines (Link 1 view [here](#)) dated 14 April 2020 and seeks Council approval to revise the Guidelines.

The review of the Operating Guidelines is in response to a Chief Executive Officer undertaking at the 3 October 2023 ([Link 2](#)) meeting of the City Planning, Development and Business Affairs Committee.

The report responds to a Council decision on 10 October 2023 ([Link 3](#)) that requests the Administration to explore opportunities for joint State Government and Council grant funding for State Heritage Places.

The proposed amendments to the Operating Guidelines seek to improve clarity regarding the operation of the Heritage Incentives Scheme (HIS).

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## RECOMMENDATION

The following recommendation will be presented to Council on 13 February 2024 for consideration

THAT THE CITY PLANNING, DEVELOPMENT AND BUSINESS AFFAIRS COMMITTEE RECOMMENDS TO COUNCIL

THAT COUNCIL

1. Notes the revised Heritage Incentives Scheme Operating Guidelines dated 30 January 2024 provided as Attachment A to Item 7.2 on the Agenda for the meeting of the City Planning, Development and Business Affairs Committee held on 6 February 2024.
2. Authorises the Acting Chief Executive Officer or delegate to make minor edits to finalise the revised Heritage Incentives Scheme Operating Guidelines dated 30 January 2024 provided as Attachment A to Item 7.2 on the Agenda for the meeting of the City Planning, Development and Business Affairs Committee held on 6 February 2024.
3. Authorises the Acting Chief Executive Officer or delegate to write to the Chief Executive of the Department for Environment and Water seeking a State Government funding contribution for State Heritage Places in the City of Adelaide.
4. Authorises the Lord Mayor to write to the Deputy Premier, Hon. Susan Close seeking a State Government funding contribution towards conservation of State Heritage Places in the City of Adelaide.

## IMPLICATIONS AND FINANCIALS

City of Adelaide 2024-2028 Strategic Plan	<b>Strategic Alignment – Our Places</b> Protect, share and elevate our heritage and culturally significant places, maintaining the character while encouraging adaptive reuse, repurposing and upgrading buildings.
Policy	The Heritage Incentives Scheme (HIS) is a key delivery mechanism for the City of Adelaide Heritage Strategy 2021-2036 and Action Plan, <i>Heritage: Our Future</i> . Administration of the HIS is undertaken in accordance with the Heritage Incentives Scheme Operating Guidelines. This report proposes to revise the current Operating Guidelines dated 14 April 2020.  Council is separately considering an overarching Grants Policy which would provide policy guidance for the HIS.
Consultation	Pending Council decision, the State Government Department for Environment and Water, Heritage SA, will be notified of the revised Heritage Incentive Scheme Operating Guidelines and the revised Guidelines will be published on the City of Adelaide's website.
Resource	Not as a result of this report
Risk / Legal / Legislative	Applications under the HIS program received and dated prior to a Council decision on the revised Operating Guidelines will continue to be assessed against the Heritage Incentives Scheme Operating Guidelines dated 14 April 2020, in place at the time of the application.
Opportunities	The revised Operating Guidelines clarify the allocation of incentives. City of Adelaide will continue to seek State Government contributions toward the conservation of State Heritage Places.
23/24 Budget Allocation	The 2023/24 HIS budget allocation is \$1,162,000.
Proposed 24/25 Budget Allocation	The draft 2024/25 HIS budget operating expense is \$1,162,000 indexed in line with CPI subject to prioritisation through the 2024/25 Annual Business Plan and Budget process.
Life of Project, Service, Initiative or (Expectancy of) Asset	The HIS Operating Guidelines are reviewed every five years or earlier as needed. The Chief Executive gave an undertaking at the City Planning, Development and Business Affairs Committee on 3 October 2023 to undertake a review of the current operating guidelines dated 14 April 2020.
23/24 Budget Reconsideration (if applicable)	Not as a result of this report
Ongoing Costs (eg maintenance cost)	Not as a result of this report
Other Funding Sources	Not as a result of this report

# DISCUSSION

## Background

1. The review of the Heritage Incentives Scheme (HIS) Operating Guidelines is in response to a Chief Executive Officer undertaking at the 3 October 2023 ([Link 2](#)) meeting of the City Planning, Development and Business Affairs Committee.
2. The report responds to a Council decision on 10 October 2023 ([Link 3](#)) that requests the Administration to explore opportunities for joint State Government and Council grant funding for State Heritage Places.

## The Heritage Incentives Scheme (HIS)

3. The Heritage Incentives Scheme (HIS) has been in place since 1987 and provides reimbursements for documentation and specialist conservation works to non-government owners of State and Local Heritage Places.
4. The establishment of the HIS recognises the economic, cultural and social value of Heritage Places to the City of Adelaide and South Australia.
5. An independent cost-benefit review of the HIS, by SGS Consulting in 2018, reports that the HIS:
  - 5.1. Is a vital economic asset for both the State of South Australia and Council.
  - 5.2. Delivers a \$1.68 return for every dollar invested by Council and other parties to the Scheme, including owners investing in the retention of heritage values in their buildings.
  - 5.3. Indirectly boosts gross state product by \$395 million and supports some 3,000 jobs.
  - 5.4. Plays a vital role in preserving the asset base underpinning Adelaide's significant heritage/cultural tourism value.

## HIS Review

6. The review of the Operating Guidelines is in response to a Chief Executive Officer undertaking at the 3 October 2023 ([Link 2](#)) meeting of the City Planning, Development and Business Affairs Committee.
7. The review was completed by Administration with specialist advice regarding cost escalation for contractors and consultants as an industry-wide issue for built environment projects.
8. The HIS review has been undertaken alongside review of other City of Adelaide grant programs and opportunities including the Sustainability Incentive Scheme and Adaptive Reuse City Housing Initiative (ARCHI).
9. Project costs for owners of heritage places have risen, in line with, or at greater rates than construction costs, with independent advice reporting average cost increases of 40% to 50% due to price escalation post-pandemic.
10. The Operating Guidelines have been assessed as largely effective with the following refinements proposed in response to cost escalation and significant increases in construction costs:
  - 10.1. Increase the maximum HIS allocation amount by 50% for all categories of conservation works to account for cost increases throughout the industry.
  - 10.2. Increase the 75% threshold for professional fee reimbursement from 'up to \$10,000' to 'up to \$15,000'.
  - 10.3. Increase the threshold value for Chief Executive Officer delegation to approve incentive payments by 50% to \$75,000 (on 27 April 2011, Council endorsed that applications under \$20,000 could be determined by the CEO under delegation. This was increased to \$50,000 in 2016).
  - 10.4. Recognise market shortages of heritage-qualified contractors, including monitoring the funding allocation and the industry's capacity for work in 2024/25 to support a review of the HIS budget if required.
11. Other proposed changes to the Operating Guidelines are summarised below:
  - 11.1. General update to the Eligibility section for better clarity.
  - 11.2. Professional Advice and Documentation are updated to cover additional types of work, e.g. adaptive reuse options and adaptive reuse studies.
  - 11.3. Higher weighting in assessment criteria for applications where conservation works are incorporated into adaptive reuse and/or sustainability outcomes.
  - 11.4. Categories of funding are reformatted into tables to improve ease of use.

- 11.5. General update to the definition of terms in the Glossary section.
  - 11.6. Applicants may be eligible for funding more than once per year noting the Scheme is structured in a way to fund professional advice before funding conservation works.
  - 11.7. Confirm that current Council employees or former employees who ceased employment less than six months before applying and who are owners of heritage places are eligible for HIS.
12. The revised HIS Operating Guidelines are provided as a tracked changes version in Attachment A.

### **Funding for State Heritage Places**

13. At its meeting on 10 October 2023 ([Link 3](#)), Council requested Administration to explore opportunities for joint State Government and Council grant funding for State Heritage Places.
14. The City of Adelaide contains 649 State Heritage Places, which equates to approximately 27% of South Australia's State Heritage Places.
15. The State Government's state-wide Heritage Grants Program funding has committed \$250,000 per annum since 2001/02, except for 2014-2018, when it was discontinued. Owners of State Heritage Places apply competitively for State Heritage funding for amounts between \$5,000 and \$20,000 through two funding calls per annum.
16. Two State Heritage Places in the City of Adelaide were funded in 2022/23 through the state-wide program; re-roofing of the Archbishop's House (grant of \$10,000) and stormwater drainage works to Brougham Place Uniting Church (grant of \$3,447).
17. In 2022/23, over 30% of City of Adelaide HIS funding (approximately \$350,000), was allocated to State Heritage Places.
18. The matter of the State Government funding contribution for conservation of State Heritage Places in the City of Adelaide is long-standing, being referenced in Council proceedings from at least 1982.
19. Eligibility of State Heritage Places for HIS funding has varied overtime. Before 2011, owners of State Heritage Places had to demonstrate that they were refused State Government funding to be eligible for HIS funding. In 2011, Council decided:

*The current eligibility provisions for State listed buildings are generally unworkable due to the infrequency of State funding rounds and low level of State funding.*

*At the same time Council should be concerned regarding any potential cost shifting by the State Government to Council.*
20. The state-wide Heritage Grants Program is inadequate to provide conservation of important Heritage Places in the City of Adelaide and it is therefore recommended that the HIS continue to provide funding for State Heritage Places in the immediate term.
21. City of Adelaide will continue to seek a commitment from State Government for adequate funding for State Heritage Places in Adelaide and North Adelaide.

### **Next Steps**

22. Pending Council's decision on the revised HIS Operating Guidelines, the Guidelines will be published on the City of Adelaide website and supersede the current guidelines.
  23. Applications under the HIS program received and dated prior to a Council decision on the revised Operating Guidelines will continue to be assessed against the Heritage Incentives Scheme Operating Guidelines dated 14 April 2020, in place at the time of the application.
  24. Administration will implement internal processes to regularly notify the State Government of applications made to the HIS that are State Heritage Places and the level of funding sought to seek a State Government funding contribution for those projects.
  25. Administration will write to the State Government, to begin a dialogue regarding increased funding for State Heritage Places in the City of Adelaide.
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## DATA AND SUPPORTING INFORMATION

**Link 1** - City of Adelaide's Heritage Incentives Scheme Operating Guidelines dated 14 April 2020

**Link 2** – [City Planning, Development and Business Affairs Committee, Agenda, Tuesday, 3 October 2023](#)

**Link 3** – [Council Meeting, Agenda, Tuesday, 10 October 2023](#)

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## ATTACHMENTS

**Attachment A** – Heritage Incentives Scheme Operating Guidelines

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- END OF REPORT -

# HERITAGE INCENTIVES SCHEME OPERATING GUIDELINES

*Adopted by Council 14 April 2020 Updated Jan 2024*

**PARENT DOCUMENT:** [Heritage Strategy and Action Plan 2020 – 2035](#) [Built Heritage Management Policy](#)

## PURPOSE

Adelaide's built heritage makes a significant contribution to the city's identity and its liveability. ~~There are 647 state heritage and 1850 local heritage places within the city boundaries.~~ The Heritage Incentives Scheme (HIS) provides financial and other incentives to support owners in the conservation of their heritage places. Grants are available for both professional documentation and building conservation works. Works funded through the Heritage Incentives Scheme visually enhance the public realm and develop community understanding about the importance of heritage conservation.

~~The Heritage Incentives Scheme also funds the services of Council's heritage architects in providing free conservation guidance to property owners and managers. The Heritage Incentives Scheme Operating Guideline sets out the administrative processes and responsibilities for the implementation of the Scheme.~~

## OPERATION

### Eligibility

Funding is available to:

- ~~Local Heritage Places listed in the Adelaide (City) Development Plan.~~
- ~~State Heritage Places on the South Australian (SA) Heritage Register.~~
- ~~places listed by Donovan and Associates, History and Historic Preservation consultants in their report City of Adelaide Heritage Survey 2008 – 2009, as meeting heritage criteria in the Development Act.~~
- ~~unlisted heritage places that were objector properties in the North Adelaide Plan Amendment Report (2003).~~

~~other unlisted buildings of significant historical character based on their merits.~~ Funding is available to [Places within the City of Adelaide Local Government Area that are:](#)

- [Local Heritage Places](#)
- [State Heritage Places listed on the South Australian Heritage Register](#)
- [Other unlisted buildings of significant historic character based on their merits.](#)

Funding is provided for **conservation works** ~~Conservation Works~~ that are in accordance with the Australia ICOMOS\* Burra Charter, 2013 (Burra Charter) and associated with heritage fabric including:

- elements of the heritage place designated as of heritage value [in the Adelaide \(City\) Development Plan or the SA Heritage Register](#) or work that ensures the structural integrity of the place.
- reinstatement of lost elements or fabric of the place where there is physical or archival evidence, such as historical photos or drawings, or remnant elements. Conjectural works will not generally be supported except where no evidence exists, and a heritage consultant is engaged to achieve an authentic and appropriate outcome agreed with Council heritage staff.

\*The *International Council on Monuments and Sites (ICOMOS)* is a non-governmental international organisation dedicated to the conservation of the world's monuments and sites. The national committee is known as Australia ICOMOS and is the peak cultural heritage conservation body in Australia.

Funding will not be provided to projects that:

- do not meet the eligibility criteria.
- do not sufficiently describe the scope of works or are not accompanied by adequate quotes.
- are lacking professional advice or documentation which has been requested by City of Adelaide heritage staff.
- are owned by Government.
- are from individual owners within a strata or community title property.
- are for general building maintenance-that is not dependent on heritage status, such as repainting or termite treatment.
- are for internal works (unless the interior is listed as of heritage value).
- are for works unrelated to heritage values, such as landscaping, paving, additions, outbuildings, re-plumbing, re-wiring, or installation of security devices.
- are for the cost of an owner's labour.
- project costs are covered by other State, Local or Federal governments or philanthropic funding.

Funding may be allocated to an unlisted heritage place of historic character, providing the owner enters into a Land Management Agreement (LMA) on the Certificate of Title to ensure:

- the building is not demolished.
- support for future Development Plan policy changes to enable heritage listing-support for future heritage listing.
- conservation works reinforce the heritage value of the place.:-

The cost of a heritage assessment and LMA is fully funded through the HIS.

Funding may also be allocated for the construction of appropriately researched and detailed ~~front boundary fences~~**Front Boundary Fences**, (where the fence is not part of the heritage listing). ~~Funding of up to \$10,000 or up to 50% of the construction cost, whichever is the lesser amount, may be allocated.~~

Funding may also be allocated for fees associated with **Professional Advice and Documentation**:

- advice, plans, and specifications which guide the future management of and investment in heritage places, and including:
  - conservation plans
  - adaptive reuse options-studies
  - adaptive reuse options-studies

- studies relating to joint heritage/sustainability outcomes
- photographic, archaeological or dilapidation surveys
- fire safety and disabled access upgrade plans.
- documents for development approval, tendering, implementing, and supervising conservation works.

In addition, the applicant must meet the following:

- the property is owned by the non-government sector.
- there are no debts or outstanding charges to Council on the property.
- the works have not been substantially commenced or completed prior to funding approval. Retrospective funding is not available.
- the cost of the conservation works is greater than \$34,000.
- for properties in multiple ownership, each owner has agreed to undertake conservation works and the applicant is the body corporate of the strata or community title holders.
- other affected parties (e.g. lessees, lessors, owners) have agreed to undertake the conservation works at the property.
- any encumbrances have been identified.

For works resulting from an insurance claim, grants are for conservation works not covered by the insurance.

Current Council employees or former employees who ceased employment less than six months before applying and who are owners of heritage places are eligible to applying apply for HIS funding.

Having Applicants that have received funding from other grants does are not precluded applicants from receiving funding from HIS.

Applicants are eligible for funding more than once per year for professional advice and conversation works.

## Categories of Funding

### 1. Professional Advice and Documentation

~~Funding of up to \$10,000 or up to 75% of the total documentation and professional fees, whichever is the lesser amount for:~~

- ~~● advice, plans, and specifications which guide the future management of and investment in heritage places.~~
- ~~● documents for development approval, tendering, implementing, and supervising conservation works.~~

~~Funding may also be allocated for:~~

- ~~● conservation plans~~
- ~~● reuse options studies~~
- ~~● photographic, archaeological or dilapidation surveys~~
- ~~fire safety and disabled access upgrade plans.~~

Funding of a percentage of the total cost of Professional Advice and Documentation, up to the maximum grant (whichever is lesser) as defined in the following table:

<u>Category</u>	<u>Cost of Professional Advice and Documentation</u>	<u>Percentage of cost reimbursed</u>	<u>Maximum Grant</u>
<u>No funding available</u>	<u>Up to \$3,000</u>	<u>0%</u>	<u>\$0</u>
<u>Professional Advice and Documentation</u> <u>(Delegated Decision)</u>	<u>Greater than \$3,000</u>	<u>Up to 75%</u>	<u>\$15,000</u>

**2a. Conservation Works:**

~~Minor conservation works – projects up to \$50,000:~~

- ~~• a grant of up to \$25,000 or up to 50% of the project cost, whichever is the lesser amount.~~

~~Major Conservation Works – projects over \$50,000:~~

- ~~• Projects between \$50,000 and \$200,000: a grant of up to \$100,000 or up to 50% of the project cost, whichever is the lesser amount. The maximum grant is \$100,000.~~
- ~~• Projects over \$200,000: a grant of up to 25% of the project cost. The maximum grant is \$250,000.~~

Funding of a percentage of the total cost of conservation works, up to the maximum grant (whichever is lesser) as defined in the following table:

<u>Category</u>	<u>Cost of Conservation Works</u>	<u>Percentage of cost of works reimbursed</u>	<u>Maximum Grant</u>
<u>No funding available</u>	<u>Up to \$3,000</u>	<u>0%</u>	<u>\$0</u>
<u>Minor Conservation Works</u> <u>(Delegated Decision)</u>	<u>Greater than \$3,000 and up to \$150,000</u>	<u>Up to 50%</u>	<u>Up to \$75,000</u>
<u>Major Conservation Works</u> <u>(Council Decision)</u>	<u>Greater than \$150,000 and up to \$300,000</u>	<u>Up to 50%</u>	<u>Up to \$150,000</u>
<u>Major Conservation Works over \$300,000</u> <u>(Council Decision)</u>	<u>Greater than \$300,000</u>	<u>Up to 50% of \$300,000</u>  <u>Plus:</u> <u>Up to 25% of amounts over \$300,000</u>	<u>Up to \$375,000</u>

**2b. Conservation Works – Front Boundary Fences:**

Funding of a percentage of the total cost of constructing appropriately researched and detailed front boundary fences, (where the fence is not part of the heritage listing) up to the maximum grant (whichever is lesser) as defined in the following table:

<b><u>Category</u></b>	<b><u>Cost of Conservation Works</u></b>	<b><u>Percentage of cost of works reimbursed</u></b>	<b><u>Maximum Grant</u></b>
<u>No funding available</u>	<u>Up to \$3,000</u>	<u>0%</u>	<u>\$0</u>
<u>Front boundary fence (Delegation Decision)</u>	<u>Greater than \$3,000</u>	<u>Up to 50%</u>	<u>\$10,000</u>

**3. Staged Conservation Works**

Where a building owner requests funds for major conservation works, Council may consider a grant allocation over multiple financial years. The project would be subject to an agreed scope of works that satisfies the general funding requirements of these Operating Guidelines. The first stage should be commenced within 12 months, with other stages undertaken in accordance with the agreement.

**Fees**

~~Development application fees for HIS conservation works requiring Development Approval will be waived. Note there are mandatory State Government charges to lodge a Development Application which are payable by the applicant.~~

For state heritage places, there are mandatory fees for referral to Heritage South Australia which are payable by the applicant.

Development application fees normally charged by City of Adelaide are administratively waived and/or may be paid from the HIS.

Any licence and permit fees incurred by the owner during the construction period of HIS funded conservation projects (e.g. building works permit fees) may be paid from the HIS.

**Loans**

In addition to direct funding, subsidised loans may also be available. A subsidised loan is additional to the HIS funding limits and will be within the budget (and at no additional cost) to the Built Heritage Management Program. Loans will be approved at the discretion of Council.

**Process**

### Step 1 - Preliminary Discussions

Before lodging a HIS application, owners must contact Council heritage staff to discuss:

- the scope of works, priorities and options
- the eligibility of the project
- documentation requirements
- the application process.

### Step 2 – Lodging an Application

HIS applications are lodged online through the City of Adelaide website.

Applications for **professional advice and documentation** [Professional Advice and Documentation](#) should include:

- the scope of works
- written quotes (two are preferred).

Professional advice and documentation should be from a suitably qualified heritage professional.

Professional documentation is a requirement for conservation works over \$10,000 unless exempted by Council.

Applications for **conservation works** [Conservation Works](#) should include:

- a site plan or aerial photo identifying the location of the proposed works on the property.
- construction techniques (e.g. Council's standard specifications and advisory notes).
- details of materials and conservation methodology.
- plans, elevations, sections and where appropriate, large scale details.
- where applicable, professional advice and documentation funded through the HIS.
- a minimum of two written quotes unless an exemption has been agreed to by council.

Applications that are incomplete or inaccurate, will not be processed.

Development Approval must be obtained before allocation of the HIS grant.

### Step 3 - Application Assessment

All grants are at the discretion of Council. Applications are assessed according to the Operating Guidelines. Assessment is based on the condition of the building, the merit of the project and is assessed against the following criteria:

Principle	Criteria	Rank
Needs of the place	<ul style="list-style-type: none"> <li>Condition of the building</li> <li>Conservation of original heritage fabric</li> <li>Stability of the building</li> <li>Emergency works</li> <li>Useability and economic viability of the place</li> </ul>	High
Visual Contribution to the public realm	<ul style="list-style-type: none"> <li>Conservation works on elements which are visible from the public realm or to places which are publicly accessible</li> </ul>	High
Heritage value of the place	<ul style="list-style-type: none"> <li><del>Heritage listing status— State, Local, Local (City Significance) or Local (Townscape)</del></li> <li>Retaining, reinforcing and reinstating elements of heritage significance of the place</li> <li><del>Projects that conserve the elements of heritage value of a place as identified in the Adelaide (City) Development Plan or in the State Heritage Register</del></li> <li><del>Projects that conserve the elements of heritage value of a place as identified in the heritage listing</del></li> <li><del>Projects where conservation works are incorporated into adaptive reuse outcomes</del></li> <li><del>Projects where conservation works are incorporated into sustainability outcomes</del></li> </ul>	High
State Heritage Places	<ul style="list-style-type: none"> <li>Availability of grants from the State Government</li> </ul>	Medium
Level of Past HIS financial assistance	<ul style="list-style-type: none"> <li>Properties that have not previously received HIS funding.</li> </ul>	Medium
	<ul style="list-style-type: none"> <li>Funding history of the property.</li> </ul>	On Merit

#### Step 4 - Funding Allocation

Subject to availability of funds, applications will be accepted on an on-going basis.

~~Funding is up to 50%. Funding is up to 50% for Conservation Works and up to 75% for Professional Advice and Documentation.~~ The allocated amount is at the discretion of council. Unless Council considers that there are extenuating circumstances, the allocated amount will not be increased after the allocation approval date.

For more complex conservation projects, Council may allow for a contingency sum in the grant allocation for unforeseen cost or scope increases.

Funding is valid for 12 months from the date of the allocation letter. Excepting for major conservation works, staged conservation works or where an extended completion date has been agreed to by Council, funding will be forfeited if the project is not substantially completed within 12 months.

If an applicant wishes to substantially alter the scope of works or project costs, a new HIS application will be required.

### Step 5 - Implementation

Following the funding allocation, the applicant is required to:

- comply with the conditions of the funding allocation and Development Approval.
- notify Council heritage staff when the works are about to commence and at key milestones in the construction process as agreed with heritage staff.
- notify Council at the completion of the works and before final payment to the contractor.
- provide a post-completion inspection report when it is required by Council.

### Step 6 - Allocation Reimbursement

Prior to reimbursement for:

- **Professional Advice and Documentation:**
  - The applicant must provide copies of the funded professional advice and documentation to Council heritage staff. Council will advise if the work is acceptable for Council's grant purposes.
  - The applicant must provide evidence of payment to the consultant.
- **Conservation Works:**
  - Council heritage staff will inspect the completed conservation works and advise if the work has been satisfactorily completed for HIS grant purposes.
  - The applicant must provide evidence of payment to the contractor/s.

Once satisfied that ~~the all~~ the HIS grant requirements have been met, Council heritage staff will arrange reimbursement to the applicant.

City of Adelaide reserves the right to withdraw funding if a project does not proceed as agreed.

#### **Decision making**

Approval for funding of Conservation Works noted as Council Decision in the Categories of Funding section of this document requires a decision of Council. Council will allocate funds at their discretion.

City of Adelaide staff have authority to approve the allocation of funding of grants for Professional Advice and Documentation and Conservation works noted as Delegated Decision in the Categories of Funding section of this document in accordance with Financial Delegation limits

#### **Administrative Roles and Responsibilities**

~~The Planning, Design and Development Program has overall responsibility for the implementation and monitoring of these Operating Guidelines as well as processing applications for Development Approval. Specific roles and responsibilities include:~~

**Advisor** – Council will support the management and conservation of heritage places through the provision of advice through the Heritage Advisory Service and the HIS.

**Information Provider** – Council will foster community awareness and appreciation of the City's built heritage through promotion and education.

**Advocate** – Council will advocate to:

- other tiers of Government for funding to support heritage conservation.
- property owners to invest in their heritage assets.

The Chief Executive Officer (CEO) has authority to approve the allocation of funding of grants up to and including \$50,000 for conservation works.

Approval for funding over \$50,000 requires a report to Committee/Council.

The Planning, Design & Development Program will provide Council with recommendations for project funding. Council will allocate funds at their discretion.

### **Restrictions and Limitations**

HIS funding will not be provided to projects that:

- do not meet the eligibility criteria.
- do not sufficiently describe the scope of works or are not accompanied by adequate quotes.
- are lacking professional advice or documentation which has been requested by Council heritage staff.
- are owned by the Australian Government, State or Local Government.
- are from individual owners within a strata or community title property.
- are for general building maintenance that is not dependent on heritage status, such as repainting or termite treatment.
- are for internal works (unless the interior is listed as of heritage value).
- are for works unrelated to heritage values, such as landscaping, paving, additions, outbuildings, re-plumbing, re-wiring or installation of security devices.
- are for the cost of an owner's labour.

Council reserves the right to withdraw funding if a project does not proceed as agreed.

### **KEY PERFORMANCE INDICATORS**

Key performance indicators are:

- ~~80 percent of approved projects completed (\*Note: there may be some time lag in measurement e.g. not all approved projects will commence in the same financial year as funding allocation)~~
- ~~customer satisfaction level of 7 or above (survey of applicants that have received funding)~~
- ~~all commenced projects are completed to an adequate quality~~
- ~~administration of the scheme occurs in accordance with the Operating Guidelines.~~

## OTHER USEFUL DOCUMENTS

### Related documents

- The Burra Charter: The Australia ICOMOS Charter for Places of Cultural Significance, 2013
- The City of Adelaide Heritage Strategy and Action Plan 2020 - 2035
- The City of Adelaide Heritage Technical Notes
- Technical Conservation Notes, South Australian Department of Environment and Water
- City of Adelaide Strategic Plan [2020-2024](#) - [2024-2028](#)

### Relevant legislation

- *Development Act 1993*
- *Heritage Places Act 1993*
- ~~Adelaide (City) Development Plan~~
- Building Code of Australia
- *Planning, Development and Infrastructure Act 2016 (SA) (PDI Act)*
- ~~Draft~~ Planning and Design Code

## GLOSSARY

Throughout this document, the below terms have been used and are defined as:

**Conservation** as defined in The Burra Charter and for the purposes of these guidelines includes preservation, restoration, reconstruction and stabilisation.

~~Conservation works~~ **Conservation Works** are building works that directly contribute to the heritage values of a heritage place by restoring, conserving, enhancing or reinstating historic fabric or features (including removal of cladding/screening devices on existing facades or non-original elements concealing historic fabric).

~~Development is as defined in the Development Act 1993.~~ **Development** is as defined in the *Planning, Development and Infrastructure Act 2016*.

~~State Heritage Place~~ **State Heritage Place** is a place which is listed under the ~~SA~~ *Heritage Places Act 1993* as it satisfies one or more of the criteria for listing under Section 16 of the Act. These place are identified in and statutorily protected from inappropriate development through the ~~Adelaide (City) Development Plan~~ *Planning and Design Code*.

~~Local Heritage Place is a place which is listed in Council's Development Plan and satisfies one or more of the criteria for listing under Section 23 of the Development Act 1993. These places are identified in and statutorily protected from inappropriate development through the Adelaide (City) Development Plan.~~ **Local Heritage Place** is a place which is listed in the *South Australian Heritage Register*. These places are identified in and statutorily protected from inappropriate development through the *Planning and Design Code*.

~~Unlisted Heritage Building~~ **Unlisted Heritage Building** is a place which is not ~~listed in Council's Development Plan~~ *identified in the South Australian Heritage Register*, but satisfies one or more of the criteria for local heritage listing and has been endorsed by Council (following detailed assessment by heritage advisors) for consideration for listing as part of the:

- Central Business Area/Mixed Use Zones City Heritage DPA [2010]
- Residential/Mainstreet (Hutt) Zones City Heritage DPA (Parts 1 &2) [2010]
- North Adelaide Plan Amendment Report (PAR) [2003]

- other places listed by Donovan and Associates History and Historic Preservation Consultants in their report City of Adelaide Heritage Survey 2008-2009, dated April 2009, as meeting criteria in the Development Act, 1993.

~~Character Building is a place which is of a traditional style and materials and considered to contribute to the historical context of a streetscape but does not satisfy the criteria for local heritage listing.~~ Historic Character is a place which retains the physical form, style and features of an historic period but does not satisfy the criteria for Local Heritage listing.

**ADMINISTRATIVE** As part of Council’s commitment to deliver the City of Adelaide Strategic Plan, services to the community and the provision of transparent information, all policy documents are reviewed as per legislative requirements or when there is no such provision a risk assessment approach is taken to guide the review timeframe.

This Policy document will be reviewed every **five-3 (three)** years unless legislative or operational change occurs beforehand. The next review is required in **20212027**.

**Review history:**

Trim Reference	Authorising Body	Date/ Decision ID	Description of Edits
ACC2016/181572	Associate Director People & Governance	15/09/2016	Amendment to Guidelines to include the conservation of front fences, to increase the proportion of professional advice and documentation costs covered by HIS from 50% to 75%, and to increase internal delegation to \$50,000.
ACC2020/96728	Director, Place	14/04/2020	Amendment to Guidelines to allow for staged funding, strengthen the requirement for two quotes, require the applicant to notify CoA at the completion of the works <u>and</u> prior to payment of the contractor and allocate less than 50% funding in certain circumstances.
<a href="#">ACC2021/199494</a>	<a href="#">Chief Executive Officer</a>		<a href="#">Updates to guideline to reflect legislative changes to the planning system through repeal of the Development Act 1993 and replacement with the Planning, Development and Infrastructure Act 2016. Updates to definitions and allocation amounts for Major and Minor Works, specific</a>

			<a href="#"><i>inclusion of eligibility for sustainability and adaptive reuse studies.</i></a>
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**Contact:**

For further information contact the [Planning, Design and Development Program](#)  
[Park Lands, Policy and Sustainability Program](#)

City of Adelaide

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## Adaptive Reuse Funding Mechanism

Strategic Alignment - Our Places

Public

**Tuesday, 6 February 2024**  
**City Planning, Development and Business Affairs Committee**

**Program Contact:**  
Sarah Gilmour, Associate Director Park Lands, Policy & Sustainability

**Approving Officer:**  
Ilia Houridis, Director City Shaping

## EXECUTIVE SUMMARY

The purpose of this report is to recommend a framework for City of Adelaide to invest in adaptive reuse of underutilised buildings in the City of Adelaide for residential purposes as part of the Adaptive Reuse City Housing Initiative (ARCHI), auspiced by the Capital City Committee (CCC).

ARCHI aims to activate underutilised building stock, support housing supply, retain embodied carbon, and repurpose heritage places to support their conservation.

The ARCHI remit includes review of grant and incentive schemes (how these can be applied, aggregated, and enhanced) to support residential adaptive reuse outcomes.

This report outlines two options for investment in adaptive reuse and recommends a separate funding pool for adaptive reuse projects be established, in addition to providing access to City of Adelaide's existing relevant grant and incentive schemes (including Heritage Incentive Scheme, Incentives for Sustainability and Noise Management Incentive Scheme). This report recommends a Residential Adaptive Reuse funding pool of \$500,000 per year, over three years.

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## RECOMMENDATION

The following recommendation will be presented to Council on 13 February 2024 for consideration

THAT THE CITY PLANNING, DEVELOPMENT AND BUSINESS AFFAIRS COMMITTEE RECOMMENDS TO COUNCIL

THAT COUNCIL

1. Approves a Residential Adaptive Reuse Incentive Scheme for prioritisation as part of the 2024/25 Annual Business Plan process.
  2. Authorises the Acting Chief Executive Officer or delegate to prepare Operating Guidelines for a Residential Adaptive Reuse Incentive Scheme.
  3. Authorises the Acting Chief Executive Officer or delegate to amend the Noise Management Incentive Scheme such that residential adaptive reuse projects are eligible for professional advice and funding.
  4. Notes the Acting Chief Executive Officer will advise the Department of Premier and Cabinet of Council's decision for a Residential Adaptive Reuse Incentive Scheme to support the Adaptive Reuse City Housing Initiative (ARCHI), auspiced by the Capital City Committee.
-

## IMPLICATIONS AND FINANCIALS

<p>City of Adelaide 2024-2028 Strategic Plan</p>	<p><b>Strategic Alignment – Our Community</b> Increase the use of the City of Adelaide or State Government incentive schemes or grants to increase diversity in housing.</p> <p><b>Strategic Alignment – Our Environment</b> 50 dwellings delivered annually through adaptive reuse of underutilised buildings.</p> <p><b>Strategic Alignment – Our Places</b> Increase the number of dwellings in our city from 14,660 (2021) to 17,780 by 2026 and 22,770 by 2031 (target for adaptive reuse to provide 5% of the supply).</p>
<p>Policy</p>	<p>Adaptive reuse is a key strategy set out in multiple City of Adelaide strategic documents including, draft Housing Strategy – <i>Investing in Our Housing Future</i>, draft Integrated Climate Strategy and Heritage Strategy 2021-2033 and Action Plan – <i>Heritage Our Future</i>).</p> <p>Adaptive reuse funding mechanisms are being proposed in the context of existing City of Adelaide grant and incentives schemes, noting there are separate report items on the Heritage Incentives Scheme and Incentives for Sustainability included on the Agenda for City Planning, Development and Business Affairs Committee on 6 February 2024).</p> <p>Council is separately considering an overarching Grants Policy which would provide policy guidance for City of Adelaide grant and incentive schemes.</p>
<p>Consultation</p>	<p>Internal consultation regarding adaptive reuse funding mechanisms has occurred across the City of Adelaide. Consultation with the ARCHI Steering Group is scheduled for February 2024.</p>
<p>Resource</p>	<p>This report presents an option for City of Adelaide to allocate budget to grants and incentives that deliver adaptive reuse for housing outcomes, including case management services. Budget proposals will be considered and prioritised as part of the 2024/25 Annual Business Plan and Budget process.</p>
<p>Risk / Legal / Legislative</p>	<p>There are regulatory and other barriers to adaptive reuse which is within the remit of ARCHI to assess. The ARCHI Steering Group is monitoring project risks.</p>
<p>Opportunities</p>	<p>Grants and incentives are one opportunity to support delivery of City of Adelaide’s target to deliver 50 adaptive reuse dwellings per year in accordance with the Strategic Plan and draft Housing Strategy – <i>Investing in Our Housing Future</i>.</p>
<p>23/24 Budget Allocation</p>	<p>The 2023/24 budget includes funding for a Project Manager for the ARCHI and approximately \$175,000 for professional services over two years as per the funding agreement between the City of Adelaide and the Department of Premier and Cabinet.</p>
<p>Proposed 24/25 Budget Allocation</p>	<p>The report sets out two options for consideration: Option 1 (preferred) – Residential Adaptive Reuse Incentive Scheme. Comprising dedicated case manager and grant funding pool of \$500,000 per year, over three years. Option 2 – City of Adelaide’s Existing Grants Programs. Refine and supplement City of Adelaide’s existing grant and incentive schemes for heritage, sustainability and noise management to accommodate adaptive reuse projects. This can be achieved within existing funding allocations or by increasing the total funding pool.</p>
<p>Life of Project, Service, Initiative or (Expectancy of) Asset</p>	<p>The ARCHI is being delivered in accordance with CCC timeframes and for review based on the success of the project.</p>
<p>23/24 Budget Reconsideration (if applicable)</p>	<p>Not as a result of this report</p>

Ongoing Costs (eg maintenance cost)	Delivery of adaptive reuse housing outcomes in the immediate to short term will require incentivisation.
Other Funding Sources	Administration is reviewing opportunities for external grant attraction through the Housing Australia Future Fund. Administration to exploring opportunities for joint State Government and Council grant funding for State Heritage Places as per Council decision on 10 October 2023.

## DISCUSSION

### Background

1. Adaptive reuse refers to the repurposing and refitting of an existing building or structure to accommodate a new function – in this case, residential dwellings. This process can involve modifications to meet current building codes and legislation and fulfil occupant expectations.
2. The benefits of adaptive reuse are well established and include contributing to new uses, in this case housing supply, preserving heritage places through repurposing, preserving existing built assets and reducing embodied carbon.
3. The Adaptive Reuse City Housing Initiative (ARCHI) has been established and auspiced by the Capital City Committee to explore and progress residential adaptive reuse outcomes in the City of Adelaide. This includes the re-purposing and refitting of vacant or underutilised office buildings, redevelopment of heritage buildings and conversion of underutilised space above shops (shop top housing).
4. This report outlines two options for investment in adaptive reuse based on a review of existing City of Adelaide grant and incentive schemes for heritage, sustainability and noise management, including how the existing grant programs could be applied, aggregated, and enhanced to support adaptive reuse outcomes.
  - 4.1. Option 1 (preferred) – Residential Adaptive Reuse Incentive Scheme. Establish a new funding mechanism for residential adaptive projects, supported by a case management service.
  - 4.2. Option 2 – City of Adelaide’s Existing Grants Programs. Refine and supplement City of Adelaide’s existing grant and incentive schemes to accommodate adaptive reuse projects (Heritage Incentives Scheme, Incentives for Sustainability, Noise Management Incentive Scheme).
5. Both options propose to provide residential adaptive reuse projects access to the existing funding pools for the Heritage Incentive Scheme, Incentives for Sustainability and Noise Management Incentive Scheme.

### Option 1 (preferred) – Residential Adaptive Reuse Incentive Scheme

6. To further incentivise adaptive reuse, a new funding mechanism could be established to support a Residential Adaptive Reuse Incentive Scheme. The remit of the scheme may include:
  - 6.1. Case management to support building owners through the feasibility, design and approvals process
  - 6.2. Access to a dedicated funding pool to incentivise adaptive reuse
  - 6.3. Access to Local Design Review being progressed in 2024
  - 6.4. Access to existing City of Adelaide grants and incentives for heritage, sustainability and noise management (as per Option 2)
  - 6.5. Coordination across corresponding grants and incentive schemes
  - 6.6. Funding for professional advice and documentation (relevant reports, plans and specification).
7. Benefits for case management include providing tailored advice and support, providing direction to incentives, and supporting good design outcomes. Based on a broad internet search and high-level consultation, there does not appear to be specific comparable adaptive reuse funding programs in other states.

### Option 2 – City of Adelaide’s Existing Grants Programs

8. City of Adelaide has three funding programs complementary to adaptive reuse:
  - 8.1. Heritage Incentive Scheme (HIS) - reimburses owners of heritage and unlisted historic character places that meet specific criteria, a portion of the costs for professional advice and documentation, and heritage conservation works. A review of the HIS Operating Guidelines is presented in Report

Item 7.2 of this Agenda and proposes that the HIS is amended to provide access to residential adaptive reuse projects.

- 8.2. Incentives for Sustainability - reimburses residents, businesses, and groups to make sustainable practices and technology more accessible and affordable. Sustainability initiatives include solar, energy monitoring, electric vehicle charging, water saving devices, home energy assessments, resource recovery. A review of the Operating Guidelines is presented in Report Item 7.1 of this Agenda and proposes that the scheme is amended to provide access to residential adaptive reuse projects.
- 8.3. Noise Management Incentive Scheme – provides advisory consultation services and recommendations on possible physical changes to dwellings to address external noise issues. To encourage and enable adaptive reuse outcomes, the funding guidelines and criteria could be refined to:
  - 8.3.1. Specifically identify and prioritise adaptive reuse projects
  - 8.3.2. Offer an additional funding allocation
  - 8.3.3. Expand the remit of funded works (to achieve a coordinated acoustic and energy efficient outcome).
9. Providing residential adaptive reuse projects to existing funding pools can be achieved within existing budgets or by increasing the total funding pool for these programs.

#### **Preferred Option**

10. Adaptive reuse of existing buildings can present regulatory barriers and challenges with each building likely to require tailored advice and support, and clear understanding of the nature of incentives for building owners. Work has commenced through the ARCHI on the nature of incentives for adaptive reuse related to different building assets and ownership models.
11. Given the complexities with adaptive reuse projects and Council’s ambitious target for 50 dwellings delivered annually through adaptive reuse of underutilised buildings, a case managed approach is considered to provide the most effective short-term framework for investing in projects.

#### **Next Steps**

12. Pending Council’s decision about a preferred approach for investment in adaptive reuse, budget proposals will be prepared for consideration in the annual 2024/25 business plan and budget.

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## **ATTACHMENTS**

Nil

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- END OF REPORT -

## Exclusion of the Public

Tuesday, 6 February 2024

City Planning,  
Development and Business  
Affairs Committee

**Program Contact:**

Alana Martin, Manager  
Governance

2018/04291

Public

**Approving Officer:**

Michael Sedgman, Acting  
Chief Executive Officer

## EXECUTIVE SUMMARY

Section 90(2) of the *Local Government Act 1999 (SA)* (the Act), states that a Council may order that the public be excluded from attendance at a meeting if the Council considers it to be necessary and appropriate to act in a meeting closed to the public to receive, discuss or consider in confidence any information or matter listed in section 90(3) of the Act.

It is the recommendation of the Chief Executive Officer that the public be excluded from this City Planning, Development and Business Affairs Committee meeting for the consideration of information and matters contained in the Agenda.

For the following Reports for Recommendation to Council seeking consideration in confidence

**10.1** Assignment of Lease [section 90(3) (d) of the Act]

The Order to Exclude for Item 10.1:

1. Identifies the information and matters (grounds) from section 90(3) of the Act utilised to request consideration in confidence.
2. Identifies the basis – how the information falls within the grounds identified and why it is necessary and appropriate to act in a meeting closed to the public.
3. In addition, identifies for the following grounds – section 90(3) (b), (d) or (j) of the Act - how information open to the public would be contrary to the public interest.

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## ORDER TO EXCLUDE FOR ITEM 10.1

THAT COUNCIL:

1. Having taken into account the relevant consideration contained in section 90(3) (d) and section 90(2) & (7) of the *Local Government Act 1999 (SA)*, this meeting of the City Planning, Development and Business Affairs Committee dated 6 February 2024 resolves that it is necessary and appropriate to act in a meeting closed to the public as the consideration of Item 10.1 [Assignment of Lease] listed on the Agenda in a meeting open to the public would on balance be contrary to the public interest.

Grounds and Basis

This Item contains certain information of a confidential nature (not being a trade secret) the disclosure of which could reasonably be expected to confer a commercial advantage on a person with whom the council is conducting business, prejudice the commercial position of the council and prejudice the commercial position of the person who supplied the information and confer a commercial advantage to a third party.

More specifically, the disclosure of certain information in this report could reasonably prejudice the Council's commercial position, including its future commercial dealings, given that it contains financial information and further direction regarding the Council's assets and strategic land holdings.

Public Interest

The Council is satisfied that the principle that the meeting be conducted in a place open to the public has been outweighed in the circumstances because the disclosure of this information in this report, including certain financial information and further direction, may prejudice its future commercial dealings with regard to its assets and strategic land holdings. On this basis, disclosing such information may severely prejudice the City of Adelaide's ability to influence the proposal for the benefit of the City of Adelaide and the community in this matter.

2. Pursuant to section 90(2) of the *Local Government Act 1999 (SA)* (the Act), this meeting of the City Planning, Development and Business Affairs Committee dated 6 February 2024 orders that the public (with the exception of members of Corporation staff and any person permitted to remain) be excluded from this meeting to enable this meeting to receive, discuss or consider in confidence Item 10.1 [Assignment of Lease] listed in the Agenda, on the grounds that such item of business, contains information and matters of a kind referred to in section 90(3) (d) of the Act.
-

## DISCUSSION

1. Section 90(1) of the *Local Government Act 1999 (SA)* (the Act) directs that a meeting of Council must be conducted in a place open to the public.
2. Section 90(2) of the Act, states that a Council may order that the public be excluded from attendance at a meeting if Council considers it to be necessary and appropriate to act in a meeting closed to the public to receive, discuss or consider in confidence any information or matter listed in section 90(3) of the Act.
3. Section 90(3) of the Act prescribes the information and matters that a Council may order that the public be excluded from.
4. Section 90(4) of the Act, advises that in considering whether an order should be made to exclude the public under section 90(2) of the Act, it is irrelevant that discussion of a matter in public may -
  - (a) *cause embarrassment to the council or council committee concerned, or to members or employees of the council; or*
  - (b) *cause a loss of confidence in the council or council committee; or*
  - (c) *involve discussion of a matter that is controversial within the council area; or*
  - (d) *make the council susceptible to adverse criticism.*
5. Section 90(7) of the Act requires that an order to exclude the public:
  - 5.1 Identify the information and matters (grounds) from section 90(3) of the Act utilised to request consideration in confidence.
  - 5.2 Identify the basis – how the information falls within the grounds identified and why it is necessary and appropriate to act in a meeting closed to the public.
  - 5.3 In addition identify for the following grounds – section 90(3) (b), (d) or (j) of the Act - how information open to the public would be contrary to the public interest.
6. Section 83(5) of the Act has been utilised to identify in the Agenda and on the Report for the meeting, that the following report is submitted seeking consideration in confidence.
  - 6.1 Information contained in Item 10.1 – Assignment of Lease
    - 6.1.1 Is not subject to an Existing Confidentiality Order.
    - 6.1.2 The grounds utilised to request consideration in confidence is section 90(3) (d) of the Act
      - (d) commercial information of a confidential nature (not being a trade secret) the disclosure of which-
        - (i) could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party; and
        - (ii) would, on balance, be contrary to the public interest;

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## ATTACHMENTS

Nil

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- END OF REPORT -

Document is Restricted