

Sustainability Incentives Scheme Review

Tuesday, 13 June 2023
Council

Council Member
Councillor Siebentritt

Public

Contact Officer:
Ilia Houridis, Director City
Shaping

MOTION ON NOTICE

Councillor Siebentritt will move a motion and seek a seconder for the matter shown below to facilitate consideration by the Council:

'That Council direct 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 investment.'

ADMINISTRATION COMMENT

1. The [Sustainability Incentives Scheme \(SIS\)](#) was introduced in 2015. It is funded annually from the Climate Change Action Initiative Fund (CCAIF). It has been reviewed and amended in 2019 and 2022.
2. In the years from 2015 to 6 June 2023 the SIS provided \$1.6 million to community and businesses, via 729 rebates, leveraging nearly \$9.4 million of external investment in sustainable technologies.
3. The SIS delivered the following outcomes between 1 July 2019 and 31 December 2022:
 - 3.1. 155 rebates totalling \$380,382 have catalysed over \$2.3 million of community investment.
 - 3.2. The scheme leveraged \$9.02 for every \$1 spent.
 - 3.3. 47% of rebates were provided to businesses accounting for 61% of funding.
 - 3.4. 49% of rebates were provided to residents accounting for 32% of funding.
 - 3.5. The remaining 4% of rebates were provided to not for profit, educational institutions or sports clubs accounting for 7% of total funding.
 - 3.6. Of the total, 69% of the rebates were for the installation of solar systems accounting for 75% of funding and an abatement of 1,171 tonnes of CO₂ equivalent per year.
 - 3.7. Rebates such as for rainwater tanks and professional advice are not tracked for carbon abatement.
4. The SIS evolved from early rebates for solar power and rainwater to a four-year partnership with the State Government, which ran from the 2015/2016 financial year to the 2018/2019 financial year under the [Carbon Neutral Adelaide Strategy 2015-2025](#).
5. The SIS is now a fully funded scheme through the City of Adelaide and has been extended to offer a broader suite of rebates through previous decisions of Council. Not all current rebate options provided for through SIS result in direct emissions reduction and therefore cannot be quantified through a reduction of CO₂ equivalent.

6. The latest scheme review was approved by Council on [12 July 2022](#) and included a request to further investigate options for incentivising new building developments. Information was provided to Council Members by E-News on [30 May 2023](#). No immediate changes were proposed to the SIS arising from the investigation.
7. Previous reviews of the scheme focused on emerging sustainability technologies that are at a cost that requires incentivisation. There is opportunity for further review of technology as well as the funding model. This can reference other grant schemes run by City of Adelaide, including potential for strategic partnerships and packaged incentive schemes, which combine multiple rebates.
8. If this motion is successful, the SIS will be reviewed in 2023/2024. This work could be undertaken between September 2023 to January 2024, with a report to Council in February 2024. The review will focus on the options provided through SIS and how they directly contribute to the reduction of emissions within the City of Adelaide community. As shared previously with Council, reduction of community emissions is an area which provides great opportunity to reduce the overall carbon footprint of the city.
9. Any options with financial implications arising from the review could be considered through quarterly budget review or as part of planning for the 2024/2025 budget deliberations for implementation from 1 July 2024.

Should the motion be carried, the following implications of this motion should be considered. Note any costs provided are estimates only – no quotes or prices have been obtained:	
Public consultation	Not applicable
External consultant advice	Consultants Tandem Energy were engaged to complete the review of the Sustainability Incentives Scheme in 2022. External consultancy advice would be sought for a further review and funded from the Climate Change Action Initiative Fund.
Legal advice / litigation (eg contract breach)	Not applicable
Impacts on existing projects	The decision would bring forward review of the Sustainability Incentives Scheme to 2023/2024 from 2024/2025.
Budget reallocation	A review is anticipated to cost in the order of \$20,000.
Capital investment	Not applicable
Staff time in preparing the workshop / report requested in the motion	A review could be completed in the second half of the 2023/2024 financial year.
Other	Not applicable
Staff time in receiving and preparing this administration comment	To prepare this Administration comment in response to the motion on notice took approximately 5.5 hours.

- END OF REPORT -