

Draft Integrated Climate Strategy 2030

Friday, 16 February 2024

Audit and Risk Committee

Strategic Alignment – Our Environment

Public

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EXECUTIVE SUMMARY

The purpose of this report is to provide an update to the Audit and Risk Committee on the consolidation of City of Adelaide's climate-related strategies and action plans, including the Climate Change Risk Adaptation Action Plan 2021-2026, and Climate Action Plan 2022-2025, into a single integrated Strategy.

The draft Integrated Climate Strategy (**Attachment A**) is informed by recommendations and feedback from the Audit and Risk Committee at its meetings on 10 May 2023 ([Link 1](#)), 4 August 2023 ([Link 2](#)) and 10 November 2023 ([Link 3](#)) and includes a comprehensive review of all existing plans and strategies.

The draft Strategy outlines Council priorities for climate-related action to 2030 and establishes consolidated directions for the community and Council's own operations under five goals as follows:

- Goal 1: A climate resilient city
- Goal 2: A net zero city
- Goal 3: A city where nature thrives
- Goal 4: Transition to a decarbonised economy
- Goal 5: A climate leading capital city council.

Each goal includes priorities, targets and an outline of the scale of action required to deliver on the draft Strategy. The timing of the draft Strategy will enable it to inform Council's 2024/2025 annual business plan and budget process.

The draft Integrated Climate Strategy 2030 was endorsed by Council for public consultation on 12 December 2023 ([Link 4](#)), with targeted stakeholder and broader community consultation to commence on 5 February 2024.

RECOMMENDATION

THAT THE AUDIT AND RISK COMMITTEE

1. Notes the integration of the Climate Risk Adaptation Action Plan into the draft Integrated Climate Strategy 2030, along with six other climate related City of Adelaide action plans and strategies.
2. Notes that Council endorsed the draft Integrated Climate Strategy 2030 contained in Attachment A to Item 5.3 on the Agenda for the meeting of the Audit and Risk Committee held on 16 February 2024 for public consultation on 12 December 2023.

IMPLICATIONS AND FINANCIALS

City of Adelaide 2024-2028 Strategic Plan	Strategic Alignment – Our Environment Outcome: Lead as a Low Carbon Emissions City
Policy	The draft Integrated Climate Strategy (draft Strategy) public consultation will be undertaken in accordance with Council's Community Consultation Policy dated 16 July 2019 and the engagement plan endorsed by Council on 12 December 2023 (Link 4). The Integrated Climate Strategy will replace the Climate Action Plan 2022-2025, Carbon Neutral Strategy 2015-2025, Climate Risk Adaptation Plan 2021-2026, Resource Recovery Strategy and Action Plan 2020-2028, Zero Emissions Vehicle Plan 2019-2030, Water Sensitive Cities Plan 2021-2025 and Integrated Biodiversity Management Plan 2018-2023 and delivers on the former Council's decision to develop a Climate Policy.
Consultation	Targeted stakeholder and broad community consultation will be undertaken in accordance with Council's Community Consultation Policy. Internal consultation to develop this draft Strategy occurred across the City of Adelaide Park Lands, Policy and Sustainability Program and Traffic and Transport teams. Further internal engagement will be undertaken during the public consultation period, including discussion about potential budget proposals for 2024/25 and resource plan.
Resource	Not as a result of this report
Risk / Legal / Legislative	Not as a result of this report
Opportunities	The development of an Integrated Climate Strategy will clarify Council's policy position and role in responding to climate change for the community and its own operations.
23/24 Budget Allocation	Funding for climate related objectives in 2023/24 is \$2,571,683, across: <ul style="list-style-type: none"> • Climate Change Action Initiative Fund (CCAIF) \$783,250 (excluding salaries): <ul style="list-style-type: none"> ○ \$125,000 to climate action plan implementation, ○ \$140,000 to climate active certification and inventories, ○ \$225,500 to Sustainability Incentive Scheme and ○ \$180,000 to community and business support, ○ \$51,250 to climate risk adaptation, ○ \$20,500 to water sensitive city, ○ \$10,250 for Resilient East Partnership and ○ \$30,750 to the Taking Climate Action Roadmap. ○ The CCAIF deliverables have included funding direct works via the Sustainability Incentive Scheme, community battery investigations, urban cooling approach project with University of Adelaide, River Torrens recovery project, development of carbon calculators, Race for 2030 precinct electrification partnership, collaborative offsets project and purchase of offset credits. • The City of Adelaide Resource Recovery Strategy and Action Plan of \$788,433 to deliver. This strategic project funding concludes in 2023/24. • Council allocated an additional \$1.0M for greening in 2023/24 to increase tree canopy cover in the City of Adelaide.
Proposed 24/25 Budget Allocation	The draft Strategy is unfunded and will require prioritisation of actions through the 2024/25 annual business plan and budget process, considering climate initiatives in the short, medium and long term. Costs, above current service levels, for implementation of key initiatives over the life of the Strategy will be presented with the final draft Strategy and incorporated into the Long-term Financial Plan pending prioritisation through the 2024/25 budget process, which will include consideration of grant program funding levels as well as initiative funding.

Life of Project, Service, Initiative or (Expectancy of) Asset	The draft Strategy is proposed to deliver climate actions from 2024-2030
23/24 Budget Reconsideration	Not as a result of this report
Ongoing Costs	Not as a result of this report
Other Funding Sources	Not as a result of this report

DISCUSSION

Background

1. At its meeting on 10 May 2023 ([Link 1](#)), the Audit and Risk Committee requested that the mid-point review of the Climate Change Risk Adaptation Action Plan 2021-2026 be brought forward and an update be provided to the October 2023 Audit and Risk Committee meeting.
 - 1.1. *At the Audit and Risk Committee meeting on 10 May 2023, at Item 5.1 - Climate Change Risk Adaptation Action Plan, it was resolved that the Audit and Risk Committee:*
 - 1.1.1. *Notes the report.*
 - 1.1.2. *Recommends bringing forward the mid point review of the Climate Change Risk Adaptation Action Plan and requests an update to the October Audit and Risk Committee meeting.*
2. The Climate Change Risk Adaptation Action Plan (Plan) 2021-2026 includes 95 actions to integrate climate risk management into governance documents and processes, facility planning and management and service provision.
3. An update was provided to the Audit and Risk Committee at its meeting on 4 August 2023 ([Link 2](#)), at which the Committee commended the intention to integrate Council's Climate Change Risk Adaptation Action Plan 2021-2026 and the City of Adelaide Climate Action Plan 2022-2025 by December 2023.
 - 3.1. *At the Audit and Risk Committee meeting on 4 August 2023, at Item 5.3 – Climate Change Risk Adaptation Action Plan, it was resolved that the Audit and Risk Committee recommends to Council that Council:*
 - 3.1.1. *Notes the report.*
 - 3.1.2. *Commends the intention to integrate Council's Climate Change Risk Adaptation Action Plan 2021-2026 and the City of Adelaide Climate Action Plan 2022-2025 by December 2023.*
 - 3.1.3. *Notes the internal audit review project proposed as part of the strategic internal audit plan in relation to strategic climate change impacts.*
4. On 4 August 2023 ([Link 2](#)), the Audit and Risk Committee considered a three-phase approach to review the Climate Change Risk Adaptation Action Plan:
 - 4.1. Phases 1 and 2 of the review are complete and involved an assessment of the Action Plan's achievements to date and a comprehensive review of the Plan to enhance its effectiveness and improve its capacity to address climate risks.
 - 4.2. Phase 3 of the approach includes target setting, developing metrics and measurement, defining Council's role(s), integration across the organisation and roadmap for implementation. Phase 3 is being delivered through the draft Strategy and an internal audit of the Climate Change Risk Adaptation Action Plan. The internal audit of the Climate Change Risk Adaptation Action Plan is presented in Report Item 5.1 of the meeting of the Audit and Risk Committee on 16 February 2024.
5. On 5 December 2023 ([Link 5](#)), the draft Integrated Climate Strategy was presented to the special meeting of the City Planning, Development and Business Affairs Special Committee. The Committee resolved to recommend to Council that Council:
 - 5.1. *Endorses the draft Integrated Climate Strategy contained in Attachment A to Item 5.1 on the Agenda for the Special meeting of the City Planning, Development and Business Affairs Committee held on 5 December 2023, for the purposes of public consultation.*
 - 5.2. *Endorses the draft Integrated Climate Strategy Engagement Plan contained in Attachment B to Item 5.1 on the Agenda for the Special meeting of the City Planning, Development and Business Affairs Committee held on 5 December 2023, for the purposes of public consultation.*
 - 5.3. *Authorises the Chief Executive Officer to make minor and technical amendments to the documents contained in Attachment A and Attachment B to Item 5.1 on the Agenda for the Special meeting of the City Planning, Development and Business Affairs Committee held on 5 December 2023, for the purposes of finalising the documents for public consultation.*
6. Council endorsed these recommendations and the draft Integrated Climate Strategy (**Attachment A**) for public consultation at its meeting on 12 December 2023 ([Link 4](#)).

Development of the Draft Strategy

7. The draft Strategy in Attachment A has been prepared in consultation with key consultation stakeholders and is informed by a series of Council decisions and strategic directions, as follows:
 - 7.1. Council's Strategic Plan 2024-2028 (endorsed on 12 December 2023 ([Link 4](#))).
 - 7.2. City Plan – stakeholder engagement through the City Plan Studio Sessions held in September 2023.
 - 7.3. Council endorsed its current Climate Action Plan 2022-2025 on 2 May 2023 following comprehensive community consultation. The Plan was developed for a three-year timeframe to align with the conclusion of the Carbon Neutral Strategy 2015-2025. Implementation of the Plan commenced under the previous Council term in 2022/23 and has continued in 2023/24. The remaining actions are integrated into the draft Strategy.
 - 7.4. In endorsing the Climate Action Plan 2022-2025, the Council decision included as a priority action in 2023/24, that Administration would revise the community emissions target and map emission reduction pathways. Updated targets and emission reduction pathways are included in the draft Strategy.
 - 7.5. A draft Climate Policy was developed in response to a CEO Undertaking given at the Council meeting on 10 May 2022 ([Link 6](#)). A draft Climate Change Policy was developed and approved for consultation on 9 August 2022 ([Link 7](#)) under the previous Council term. The draft Climate Policy was publicly consulted on in 2022 and is delivered through the draft Strategy.
 - 7.6. On 28 March 2023 ([Link 8](#)), Council requested Administration prepare a report for Council on an electric vehicle (EV) transition roadmap for consideration as part of the 2024/25 budget process. Council endorsed the EV Transition Roadmap on 24 October 2023 ([Link 9](#)) with seven priority actions which are included in the draft Strategy. Additional work to progress targets for EV Infrastructure and further investigation of electric micro-mobility are being progressed in parallel with the draft Strategy.
 - 7.7. On 13 June 2023 ([Link 10](#)), Council 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 more targeted future investment. The SIS is a key funding mechanism for the Integrated Climate Strategy and work to enact Council's decision is occurring in parallel with the draft Strategy for reporting to Council in February 2024.
8. The draft Strategy replaces seven existing City of Adelaide climate strategies and plans suitable for integration into a single Strategy that focuses Council's climate activities and investment:
 - 8.1. Climate Action Plan 2022-2025 (review brought forward from 2024/25)
 - 8.2. Carbon Neutral Strategy 2015-2025 (final report published with the State Government at the conclusion of the partnership)
 - 8.3. Climate Risk Adaptation Plan 2021-2026 (mid-point review brought forward to 2023/24 at the request of Audit and Risk Committee)
 - 8.4. Resource Recovery Strategy and Action Plan 2020-2028 (mid-point review in 2023/24)
 - 8.5. Zero Emissions Vehicle Plan 2019-2030 (mid-point review in 2023/24)
 - 8.6. Water Sensitive Cities Plan 2021-2025 (review brought forward from 2024/25)
 - 8.7. Integrated Biodiversity Management Plan 2018-2023 (being reviewed in 2023/24).
9. A review of actions across the existing strategies and plans has been undertaken to prioritise those that best align with the feedback from Council to date on its climate priorities and with reference to the strategic priorities set out in Council's draft Strategic Plan 2024-2028. The draft Strategy includes themes from all existing plans updated to reflect Council priorities.
10. The draft Strategy is being informed by Council initiatives funded in the 2023/24 Annual Business Plan and Budget including:
 - 10.1. Electric Vehicle (EV) Infrastructure Roadmap (endorsed by Council on 24 October 2023).
 - 10.2. Adelaide Park Lands Biodiversity Survey as a key evidence base for the draft Strategy and its ongoing monitoring and reporting.
 - 10.3. Water Sensitive Urban Design (WSUD) Infrastructure Investment priority study to inform opportunities to improve 29 priority locations for street scale WSUD improvements and 14 Adelaide Park Lands large-scale WSUD opportunities.

- 10.4. Tree auditing and canopy analysis undertaken as a key evidence base for the draft Strategy and urban greening.
- 10.5. Kerbside audit of waste diversion and resource recovery by residents and businesses.
- 10.6. An additional \$1M for greening to increase tree canopy cover in the City of Adelaide.

Draft Integrated Climate Strategy

11. The draft Strategy is structured under five goals, each with priorities, targets and required undertakings, that address community and Council climate action. A two-page summary of the goals, priorities and targets is provided for reference ([Link 11](#)). The goals and priorities are:
 - 11.1. Goal 1: A climate resilient city
 - 11.1.1. A cool city with no urban heat island effect.
 - 11.1.2. Greening supported by sustainable water resources.
 - 11.1.3. Homes and businesses are protected from climate hazards.
 - 11.2. Goal 2: A net zero city
 - 11.2.1. All homes and businesses will be electrified and powered by renewables.
 - 11.2.2. Public EV charging infrastructure is available for all users, including micro-mobility, catalysing the uptake of EV's in Adelaide.
 - 11.2.3. Triple the number of city workers who cycle to work, and double the number of local residents who walk to work.
 - 11.3. Goal 3: A city where nature thrives
 - 11.3.1. Caring for Country in partnership with Kurna Miyurna.
 - 11.3.2. Biodiversity, native grasslands and woodlands are protected and enhanced.
 - 11.3.3. Karrawirra Pari, waterways, Adelaide Park Lands and Squares act as arteries connecting our native species.
 - 11.4. Goal 4: Transition to a decarbonised economy
 - 11.4.1. Growth in circular economy industries in the city.
 - 11.4.2. Procurement decisions that localise supply, prioritise reuse and drive green industries.
 - 11.4.3. Zero avoidable kerbside waste to landfill ('zero waste') by 2035.
 - 11.5. Goal 5: A climate leading capital city council
 - 11.5.1. Reduce City of Adelaide's operational carbon emissions 75% from 2020 to 2030 and achieve absolute zero emissions by 2035.
 - 11.5.2. Transitioning our corporate fleet to zero emissions.
 - 11.5.3. Climate change and sustainability are integrated into how we do business.

Resourcing and Financing

12. The City of Adelaide has existing funding mechanisms to deliver the draft Strategy. These will be considered as part of the 2024/25 annual business plan and budget process for prioritisation and contribute towards climate actions that impact the operation of the City of Adelaide and community progress on climate action.
 - 12.1. Climate actions are currently funded via the Climate Change Action Initiative Fund (CCAIF). The CCAIF is comprised of 1% of rates revenue and funds operating priorities and salary costs.
 - 12.2. Of the total CCAIF funding, \$225,500 is directed to the Sustainability Incentives Scheme (SIS) which offers small-scale rebates (up to \$25,000) for eligible community, not-for-profit and business sustainability improvements. Since 2015, the SIS has invested over \$1.6 million dollars in over 700 projects and leveraged \$8.30 of community investment for every dollar spent. A review of the SIS will be presented to Council in February 2024 seeking to expand funding to enable larger scale Council investment in business and community activities, such adaptive reuse projects.
 - 12.3. Investment in capital works (major projects, new and significant upgrades) and further integration of climate priorities in procurement, project management frameworks, Asset Management Plans, and the Long Term Financial Plan.

13. The scale of action identified in the draft Strategy will require additional budget allocation toward climate activities. The draft Strategy will enable discussions by Council through the 2024/25 budget deliberations.

Next Steps

14. Targeted stakeholder and broader community consultation will commence on 5 February 2024.
15. A review of the Sustainability Incentives Scheme is scheduled to be presented to the City Planning and Development Affairs Committee on 6 February 2024.
16. A separate piece of work is being commissioned in 2023/24 to peer review the draft Strategy including priorities and metrics, and to develop a risk and reporting structure for the delivery and monitoring of the Strategy. These will be included in the draft Strategy for consideration by Council post-consultation.
17. The updated Integrated Climate Strategy is targeting presentation to the City Planning, Development and Business Affairs Committee in March or April 2024, subject to conclusion and assessment of the public consultation process. It will include a resource plan and monitoring framework.

DATA AND SUPPORTING INFORMATION

Link 1 – [Audit and Risk Committee, Agenda Item 5.1, Wednesday 10 May 2023](#)

Link 2 – [Audit and Risk Committee, Agenda Item 5.3, Friday 4 August 2023](#)

Link 3 – [Audit and Risk Committee, Agenda Item 5.4, Friday 10 November 2023](#)

Link 4 – [Council, Agenda Item 15.1, Tuesday 12 December 2023](#)

Link 5 – [City Planning, Development and Business Affairs Special Committee, Agenda Item 5.1, Tuesday 5 December 2023](#)

Link 6 – [Council, Minute Item 13, Tuesday 10 May 2022](#)

Link 7 – [Council, Agenda Item 10.13, Tuesday 9 August 2022](#)

Link 8 – [Council, Agenda Item 15.1, Tuesday 28 March 2023](#)

Link 9 – [Council, Agenda Item 12.3, Tuesday 24 October 2023](#)

Link 10 – [Council, Agenda Item 15.1, Tuesday 13 June 2023](#)

Link 11 – [Draft Integrated Climate Strategy – Two Page Summary](#)

ATTACHMENTS

Attachment A – Draft Integrated Climate Strategy