

Sustainability Incentive Scheme – Annual Report and Operating Guidelines Review

Strategic Alignment – Our Environment

Public

Tuesday 7 April 2026

City Planning, Development and Business Affairs Committee

Program Contact:

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Approving Officer:

Ilia Houridis, Director City Shaping

EXECUTIVE SUMMARY

The purpose of this report is to:

- Provide the outcomes of the Sustainability Incentives Scheme (SIS) for 2025/26 to 10 March 2026; and
- Outline, and seek approval for, proposed amendments to the Sustainability Grants and Incentives Program Operating Guidelines (the Operating Guidelines) (**Attachment A**), for implementation from 1 July 2026.

The SIS has been operating since 2015 and is a key lever for community-led climate action, as set out in the Strategic Plan 2024-2028 and the Integrated Climate Strategy 2030.

In line with the priorities of the Integrated Climate Strategy, the SIS provides incentives for residents, businesses and not-for-profit groups to invest in sustainable practices and technology that contribute to lowering community emissions across the City of Adelaide (CoA).

In the financial year 2025/26 to 10 March 2026, the SIS invested \$159,932 in 91 projects and leveraged \$7.85 of community investment for every dollar spent. The cumulative annual emissions reduction for projects approved in 2025/26 to-date is estimated to be 144.4 tonnes of carbon dioxide equivalent (tCO₂e).

Since its introduction in 2015, the SIS has invested \$2.06 million into over 1,000 projects and, over the lifespan of all incentives provided since July 2015, the estimated cumulative emissions reduction is 23,180 tCO₂e. This volume is equivalent to the annual emissions of over 5,000 passenger vehicles.

Administration has completed an annual review of the SIS program and proposes amendments to:

- Reduce the number of incentives by removing those not contributing to electrification outcomes, direct emissions savings or demonstrating value for money including rainwater tanks, landscaping, reusable containers, and commercial green waste diversion.
- Simplify processes for both the applicant and the Administration including processes for eligibility, application and approval, funding acquittal, pre-commitments, and requirements for documented evidence.
- Simplify criteria and rebate amounts across a range of incentives including solar and EV charging to encourage uptake of incentives with lower cost per tonne of carbon emissions reduction (noting the best performing incentives are EV charging, solar, insulation and active transport).
- Improve access to incentives for larger-scale, whole-of-building projects, including and aligned to adaptive reuse in association with the Adaptive Reuse City Housing Initiative (ARCHI) program.
- Improve naming conventions for incentives and correct minor technical errors.

Following Council's adoption of the Funding Programs Policy in June 2024 ([Link 1](#)), CoA Funding Programs are to be reviewed and approved by Council on a four-year basis, in the year following the adoption of the Council's Strategic Plan. The SIS will transition from an annual review to a four-year review cycle. The next programmed review of the Operating Guidelines is in 2029 (as part of the next iteration of Council's Strategic Plan).

RECOMMENDATION

The following recommendation will be presented to Council on 14 April 2026 for consideration

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

THAT COUNCIL

1. Notes the environmental outcomes of the Sustainability Incentives Scheme for 2025/2026 to 10 March 2026 as outlined in Item 7.1 on the Agenda for the City Planning, Development and Business Affairs Committee held on 7 April 2026.
 2. Notes that a final end of financial year update on the environmental outcomes for the full 2025/26 Financial Year will be communicated to Council Members via E-News.
 3. Notes the next programmed review of the Sustainability Grants and Incentives Program Operating Guidelines is in 2029.
 4. Approves amendments to the Sustainability Grants and Incentives Program Operating Guidelines for 2026/27 as contained in Attachment A to Item 7.1 on the Agenda for the City Planning, Development and Business Affairs Committee held on 7 April 2026.
 5. Authorises the Chief Executive Officer, or delegate, to finalise the amended Sustainability Grants and Incentives Program Operating Guidelines as contained in Attachment A to Item 7.1 on the Agenda for the meeting of the City Planning, Development and Business Affairs Committee held on 7 April 2026 and review related documentation and terms and conditions publicly available on the City of Adelaide's website for consistency with the amendments to the Sustainability Incentives Scheme.
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IMPLICATIONS AND FINANCIALS

City of Adelaide 2024-2028 Strategic Plan	Strategic Alignment – Our Environment 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 Funding Programs Policy (Link 1) requires that changes to Funding Program Operating Guidelines, including altering eligibility criteria or the types of activities supported, requires Council approval.
Consultation	Changes to the Sustainability Incentives Scheme (SIS) will be communicated on the City of Adelaide’s website.
Resource	Not as a result of this report
Risk / Legal / Legislative	Not as a result of this report
Opportunities	The SIS is reviewed to ensure alignment with the Integrated Climate Strategy and deliver community emissions reduction towards Council’s strategic target to ‘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’.
25/26 Budget Allocation	The 2025/26 Annual Business Plan and Budget adopted on 24 June 2025 includes an operating budget of \$233,000 for the SIS.
Proposed 26/27 Budget Allocation	The draft 2026/27 Annual Business Plan and Budget includes an operating budget for the delivery of the Integrated Climate Strategy through the Park Lands, Policy and Sustainability program, which manages the delivery of the SIS.
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. The Funding Programs Policy provides for Funding Programs to be reviewed and approved by Council on a four-year basis, in the year following the adoption of the Council’s Strategic Plan. The next programmed review of the Operating Guidelines is in 2029.
25/26 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

Purpose

1. The purpose of this report is to provide the outcomes of the Sustainability Incentives Scheme (SIS) for 2025/26 to 10 March 2026 and outline amendments to the Sustainability Grants and Incentives Program Operating Guidelines (the Operating Guidelines), for implementation from 1 July 2026.

Background

2. SIS has been operating since 2015 and is a key lever for community-led climate action, as set out in the Strategic Plan 2024-2028 and the Integrated Climate Strategy 2030.
3. At its meeting on 1 July 2025 ([Link 2](#)), the City Planning, Development and Business Affairs Committee noted the environmental outcomes from the SIS program for 2024/25, the proposed amendments to the Scheme and the associated changes to the SIS Operating Guidelines. The amendments were endorsed by the Council on 8 July 2026.

2025/2026 YTD SIS program outcomes (as of 10 March 2026)

4. 2025/26 Year-To-Date (to 10 March) outcomes for the SIS program include:
 - 4.1. \$159,932 has been invested in 91 projects for a total investment of \$1.225,466 and a resultant return on investment (RoI) of \$7.85 of community investment for every dollar spent.
 - 4.2. The cumulative emissions reduction is estimated to be 144.4 tCO₂e. This is equivalent to saving the annual emissions of 13 households.
 - 4.3. Estimated energy and gas savings for projects approved to-date are provided below.

Category	Annual Savings	Equivalency
Electricity	6,060 MWh	1,210 households' electricity consumption
Gas	3,730 GJ	1,005 households' gas consumption

5. Since its introduction in 2015, the SIS has invested \$2.06 million into over 1,000 projects with an estimated cumulative emissions reduction of 23,180 tCO₂e.

Proposed Amendments to the Sustainability Incentives Scheme

6. The following is a summary of the proposed amendments to the Operating Guidelines (**Attachment A**):
 - 6.1. Reduce the number of incentives by removing those not contributing to electrification outcomes, direct emissions savings or demonstrating value for money including rainwater tanks, landscaping, reusable containers, and commercial green waste diversion.
 - 6.2. Simplify processes for both the applicant and the Administration including processes for eligibility, application and approval, funding acquittal, pre-commitments, and requirements for documented evidence.
 - 6.3. Simplify criteria and rebate amounts across a range of incentives including solar and EV charging to encourage uptake of incentives with lower cost per tonne of carbon emissions reduction (noting the best performing incentives are EV charging, solar, insulation and active transport).
 - 6.4. Improve access to incentives for larger-scale, whole-of-building projects, including and aligned to adaptive reuse in association with the Adaptive Reuse City Housing Initiative (ARCHI) program.
 - 6.5. Improve naming conventions for incentives and correct minor technical errors.
7. A marked-up version of the amended Operating Guidelines is provided (**Attachment B**).

Next steps

8. Pending decision by Council, the following next steps are proposed:
 - 8.1. The amended Operating Guidelines will be included on the City of Adelaide Policy Register.
 - 8.2. Related documentation and terms and conditions publicly available on the City of Adelaide's website will be updated for consistency with the amendments.
 - 8.3. The Administration will tailor its SIS program marketing for the 2026/27 to target outcomes for:
 - 8.3.1. Improved whole of building energy performance for adaptive reuse projects.

8.3.2. Residential EV charging uptake.

8.3.3. Uptake of smart and green energy in homes.

9. Separately but concurrently, the Administration is undertaking an investigation into the opportunities and barriers to support greater electrification of commercial buildings across the City of Adelaide. This project will continue into the first half of 2026/27 with the findings of the investigation to inform future program focus and design of the design of the SIS.
10. The 2026/27 funding round for SIS opens on 1 July 2026.

DATA AND SUPPORTING INFORMATION

Link 1 – [City of Adelaide Funding Programs Policy](#)

Link 2 – [Agenda - City Planning, Development and Business Affairs Committee - 1 July 2025](#)

ATTACHMENTS

Attachment A – Amended Sustainability Incentives Scheme Operating Guidelines

Attachment B – Sustainability Incentives Scheme Operating Guidelines – marked up version

- END OF REPORT -